EMPLOYMENT INSURANCE

2001 Monitoring and Assessment Report

Human Resources Development Canada
Développement des ressources humaines Canada

Canada

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Canada Employment Insurance Commission
Commission de l'assurance-emploi du Canada

102-06033/

March 2002

The Honourable Jane Stewart
Human Resources Development Canada
Place du Portage, Phase IV
140 Promenade du Portage
Hull, Quebec
K1A 0J9

Dear Minister Stewart:

We are pleased to present *the 2001 Employment Insurance Monitoring and Assessment Report*, the fifth in a series of annual reports to be submitted to the Minister of Human Resources Development by the Canada Employment Insurance Commission under Section 3 of the *Employment Insurance Act*.

This fifth report focuses on the period April 1, 2000 to March 31, 2001 – the fourth full fiscal year the Employment Insurance system was in place. The report presents a detailed analysis of what is known so far about the impact of the 1996 Employment Insurance reform on income benefits as well as the new employment benefits and support measures. It compares results for 2000/01 to 1999/00. In this context, trends for the periods between 1995/96 and 1997/98 and 1998/99 to 1999/00 identified in the *2000 Monitoring and Assessment Report* are also discussed. In addition, the report provides updates on improvements in program administration; community adjustment; and savings realized during the period under review. The report also takes a preliminary examination of what is known about the recent changes to Employment Insurance made under Bill C-2 and the enhancement to parental benefits.

You should note that our findings on the impact of changes to the Employment Insurance program for this period are still somewhat incomplete. For example, as it takes several months following the end of a claim before administrative information is available for analysis, the information about claims that started in the latter part of 2000/01 will only be available later. In addition, information on measures such as the benefit repayment provision comes via the tax system, therefore the most recent information on this provision was for 1999.

We trust that you will find the report informative.

Claire M. Morris
Chairperson

Anthony Wohlfarth
Commissioner for Workers

Maryantonett Flumian
Vice-Chairperson

Peter Doyle
Commissioner for Employers

Canada

Employment Insurance
2001 Monitoring and Assessment Report

Submitted to:

The Minister of Human Resources Development Canada

March 28, 2002

By:

The Canada Employment Insurance Commission

Prepared by:

Human Resources Development Canada
Strategic Policy
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Introduction

The Employment Insurance (EI) program, introduced in July 1996 and January 1997, represented the most fundamental restructuring of the Unemployment Insurance program in 25 years. That is why the Government of Canada included a legislative requirement for the Canada Employment Insurance Commission to monitor and assess the impacts of the reform in a series of five reports covering the years 1997 to 2001. This exercise informed the changes introduced in Bill C-2, an *Act to Amend the Employment Insurance Act and the Employment Insurance (Fishing) Regulations*, which received Royal Assent on May 10, 2001. This exercise also informed changes to EI regulations on undeclared earnings, effective August 12, 2001, and small weeks, effective November 18, 2001. In light of the need to modify the EI program in the context of sound evidence,[1] the monitoring and assessment period has been extended for an additional five-year period, from 2001 to 2006.

This is the fifth Employment Insurance Monitoring and Assessment report and it focuses on the period April 1, 2000 to March 31, 2001, the fourth full fiscal year that the Employment Insurance system has been in place.

Chapter 1 sets the context for the results by providing an overview of the Canadian labour market and briefly reviewing recent changes to the program. The results for Income Benefits are described in Chapter 2. The support provided to unemployed workers through active re-employment measures, known as Employment Benefits and Support Measures, is discussed in Chapter 3. Chapter 4 provides an overview of program administration including quality service initiatives and the financing structure of EI. In Chapter 5, findings are summarized and conclusions are drawn as to how individuals, communities and the economy are adjusting to the changes.

I. CANADA EMPLOYMENT INSURANCE COMMISSION

The Canada Employment Insurance Commission has four members who represent the interests of government, workers and employers. The Chairperson and Vice-Chairperson (the Deputy Minister and Associate Deputy Minister of Human Resources Development Canada) represent the interests of the federal government. The Commissioners for Workers and Employers represent the interests of workers and employers, respectively. Among its other responsibilities, the Commission has been assigned the legislated mandate to monitor and assess the impacts of EI reform. Under the 1996 EI Act, the Commission was to provide a report to the Minister by December 31 each year. However, under Bill C-2, this date has been changed to allow for sufficient consultations with provinces in the preparation of this report. The Employment Insurance Commission must now provide the Minister with the report no later than March 31. The report is then to be tabled by the Minister in Parliament.

The 1996 reforms were far-reaching, affecting the fundamental design of the program. The 2001 amendments were a reflection of the program's responsiveness to changing economic and labour market conditions. It is the monitoring and assessment process that helps provide a broader understanding of the effectiveness of changes implemented, as it reports on the impact of reforms on individuals, communities and the economy and helps contribute to the evolution of the program by providing feedback on how EI is assisting Canadians with temporary income support and re-employment measures.

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[1] The Monitoring and Assessment report makes use of many sources of information in analyzing the effects of the changes introduced under Employment Insurance. In addition to HRDC administrative data, Canadian Out-of-Employment Panel (COEP) survey data and information from Statistics Canada, evaluation studies that are funded by HRDC are also used. As in previous reports, this report includes references to evaluation studies that touch on both Part I and Part II benefits of the *Employment Insurance Act*.

II. LEGISLATED MANDATE

Specifically, section 3(1) of the *Employment Insurance Act* states that:

"The Commission shall monitor and assess:

(a) how individuals, communities and the economy are adjusting to the changes made by this Act to the insurance and employment assistance programs under the *Unemployment Insurance Act*;

(b) whether the savings expected as a result of the changes made by this Act are being realized; and

(c) the effectiveness of the benefits and other assistance provided under this Act, including

  (i) how the benefits and assistance are utilized by employees and employers; and

  (ii) the effect of the benefits and assistance on the obligation of claimants to be available for and to seek employment and on the efforts of employers to maintain a stable workforce."

In addition, under Bill C-2, section 3(2) of the EI Act was amended to extend the monitoring and assessment process to 2006 and to allow the Commission more time for the preparation of the report. The Act now states that:

"The Commission shall report to the Minister on its assessment annually from 2001 to 2006, no later than March 31 following the end of each of those years. The Commission shall make any additional reports at any other times, as the Minister may request."

Executive Summary

I. CANADIAN LABOUR MARKET

While the Canadian labour market continued to perform well for most of 2000/01, a downturn in the economy became evident in the fourth quarter of the reporting period. For example, during the first quarter, employment growth was 2.8%, while in the final quarter, it was only 1.6%. Overall, employment grew by 330,000 or 2.3% in this reporting period. Full-time employment growth was 2.5%, nearly double the rate of growth of part-time jobs and 90% of all new jobs created were full time. Further, employment growth was concentrated in paid employment, with 84% of all jobs falling into this category. This is significant because paid employment is insured under Employment Insurance (EI) whereas self-employment is generally not.

However, the pattern of employment growth during the 2000/01 reporting period should be noted. The number of people who were unemployed began to reflect the weaker economy in the last quarter of the reporting period. The unemployment rate in March 2001, the end of the reporting period, was 7.0%, up from 6.8% in April 2000, the beginning of the period. It is also important to note that the year-over-year change in the unemployment rate was different for women than for men. In March 2001, women's unemployment rate was 6.5%, down from 6.7% at the beginning of the period. Meanwhile, men's unemployment rate increased to 7.5% in March 2001, from 6.9% in April 2000. The increase in the unemployment rate for men can be traced to a significant slowdown in the manufacturing sector in the final quarter of 2000/01.

The weakening of the economy between December 2000 and March 2001 is significant, as the period since EI reform in 1996 has been characterized by uninterrupted growth and a declining reliance on EI. As the economy began to weaken, and unemployment rates increased towards the end of the reporting period, Canadians needed to turn to the program in greater numbers. It is within this context that the responsiveness of EI is particularly important.

The key features of the Canadian labour market in 2000/01 were as follows:

- **Employment growth** was higher for women (2.8%) than for men (1.8%) in 2000/01. This reflects significantly higher growth in the services-producing sector (2.6%), where women tend to be more highly represented, relative to the goods-producing sector (1.2%).
- The **labour market situation continued to improve for women** as their unemployment rate fell to its lowest level since 1976. Further, while women continued to be more likely than men to work part-time, employment growth for women in 2000/01 was almost entirely in full-time employment. Men experienced higher growth in part-time employment than in full-time work.
- Nearly **two-thirds of new jobs created for youth in 2000/01 were full time**. However, despite strong employment growth (3.6%) for youth during the reporting period overall, employment growth actually declined in the fourth quarter. Historically, youth have been one of the first groups to be adversely affected by an economic downturn.

- **Older workers** continued to experience higher than average employment growth at 3.8%. However, growth rates declined significantly during the reporting period. In the first quarter, employment growth for older workers was 5.7%, compared to just 1.7% in the fourth quarter.
- **Self-employment appears to have reached a plateau.** After increasing throughout the 1990s and reaching a peak of 16.7% in 1998, self-employment represented 16.0% of the Canadian labour force in 2000. The fact that the proportion of the labour force that is self-employed has remained high, despite strong employment growth in paid employment, could indicate that its rise throughout the 1990s was not just a cyclical response to the lack of job opportunities in paid employment.
- **Education continued to be a critical factor** in determining labour market success. While employment grew by 3.2% for post-secondary graduates and 3.3% for those with a high school education, employment declined in 2000/01 for those with less than a high school education. Those with the lowest skill levels become the most vulnerable to job loss when economic activity begins to slow.

II. INCOME BENEFITS

Total new claims for EI benefits increased by 2.4% in 2000/01, while total benefits paid declined by 1.0%. This disparity can be explained by the fact that most of the increase in new claims occurred in the fourth quarter of 2000/01 (11.1%), when economic activity slowed. The matching benefits were, therefore, not paid until 2001/02, after the current reporting period ended. The breakdown of claims by type of benefit was as follows:

- regular benefits claims increased by 0.8% to 1.37 million;
- fishing benefits claims increased by 11.0% to 28,229; and
- special benefits claims increased by 6.0% to 425,550.

Benefits paid were broken down as follows:

- regular benefits declined 2.7% to $6.8 billion;
- fishing benefits increased 8.6% to $235.6 million; and
- special benefits increased 5.2% to $1.8 billion.

The fact that EI is there for Canadian workers when they need it became evident when the economic slowdown had a disproportional impact on those with strong labour force attachment; that is, those who had never or rarely used the program in the past. This is reflected by the fact that there was an increase in claims of 8.1% by those with long durations of insured employment prior to filing a claim. In contrast, claims for those with short and medium employment spells actually declined in 2000/01. Moreover, new claims increased for first-time and occasional claimants, yet decreased slightly for frequent claimants.

Regular claims for **women** fell by 2.5% while those of **men** increased by 3.1%. This follows a pattern noted in previous Monitoring and Assessment reports, and demonstrates the continued strength in the labour market for women. The increase in claims for men in 2000/01 reflects the downturn in the economy in the final quarter, which was tied to a decrease in demand for consumer goods in the United States. The economic slowdown had a considerable impact on manufacturing industries, where men tend to be more highly represented, and explains much of the increase in regular claims.

Regular claims for **youth** were unchanged in 2000/01, despite strong employment growth for the period. This was a direct result of the downturn in the economy in the fourth quarter when youth claims increased by 7.3%, highlighting the vulnerability of youth in times of economic uncertainty.

Regular claims by **older workers** increased by 4.7% in 2000/01. Moreover, claims by older workers with long durations of insured employment increased by 12.8% compared to an increase of 8.1% for all workers with long durations of insured employment. This is important because older workers tend to be unemployed for longer periods than other workers when they are between jobs, largely because they are less mobile.

In order to focus on the impact of EI at a more micro level, the 14 representative communities were examined. Analysis showed that those communities that rely upon seasonal employment continued to experience high unemployment rates and a proportion of frequent claimants, which was well above the national average. However, even in communities with the highest rates of unemployment, claimants used only about 70% of their EI entitlement, indicating that the program was responsive to local labour market conditions.

Coverage was analyzed using a number of different measures. Analysis of the employed population, using the Survey of Labour and Income Dynamics (SLID) demonstrated the responsiveness of the Variable Entrance Requirements to the labour market. EI eligibility was relatively the same in regions with high unemployment rates as in those with low unemployment rates, due to automatic adjustments to the entrance requirements. Evidence indicates that 88% of paid employees would have been eligible for EI had they lost their jobs in December 1998, with eligibility being almost the same for men (97%) and women (96%) working full time.

Alternatively, other measures of coverage focus on the unemployed population. The Employment Insurance Coverage Survey (EICS) indicated that 83.2% of the EI target population was eligible to receive EI benefits in 2000, up 2.8 percentage points from 1999. The EI target population consists of paid employees who lost or quit a job with just cause in the last 12 months. Additionally, although it is too broad of a measure to reliably reflect the effectiveness of the EI program because it includes individuals who the program was not intended to cover, the beneficiary to unemployed (B/U) ratio has remained stable at 45%.

Special benefits claims continued their upward trend in 2000/01, increasing by 6.0%. The number of new special benefits claims increased in the fourth quarter, that is, the first three months of 2001. It is believed that this increase was largely due to the reduction in the number of hours required to qualify for special benefits from 700 to 600, and the enhanced duration and flexibility of parental benefits, effective December 31, 2000. Increased participation by men in parental leave also became evident as men's claims for biological parental benefits increased by 44% over the entire reporting period, and by 62.6% in the first three months of 2001, when the extended duration and enhanced flexibility measures came into effect. However, it should be noted that because the new parental regime was only in effect for three months of the reporting period, it is too early to draw firm conclusions on its impacts.

Claims for sickness benefits increased for the third consecutive reporting period. In 2000/01, sickness claims rose by 8.4%, contributing to the increase in special claims. Following the commitment made in last year's Monitoring and Assessment report, further analysis of sickness benefits was undertaken. Results showed that most of the growth in sickness benefits since EI reform has been due to increases in claims for pure sickness benefits, that is, sickness benefits that are not combined with regular or other types of special benefits. The main factors driving the increase in pure sickness benefits were growth in paid employment, the aging of the EI-eligible population, and year-to-year claims volatility, which occurs as a result of different rates of economic growth across sectors of the economy. It is suspected that when growth occurs in the services-producing sector, where many workers are not covered by private benefit plans, claims for sickness benefits will increase. Sickness benefits will be examined further in subsequent reports.

The analysis of the **Small Weeks** pilot project in this year's report covered the period from the introduction of the pilot in November 1998 to March 2001. Results indicated that about 13% of claims established in participating regions included small weeks. Women benefited from the project more than men, filing 59% of all claims with small weeks. Youth filed 18% of small weeks claims. Evaluation results indicated that the Small Weeks project has worked as intended, with claimants increasing their total weeks of work by 2.1 weeks. The small weeks provisions have been made a permanent and national feature of the EI program, effective November 18, 2001.

Benefits paid to **fishers** increased by 8.6% in 2000/01. This was the result of an increase in the overall value of resources harvested and the elimination of the intensity rule during the reporting period. Analysis continues to indicate that fishers are qualifying for benefits with relative ease as 98% of fishing claimants qualified for benefits with more than the minimum required insured earnings.

The average weekly top-up paid under the **Family Supplement** increased by 1.6%. However, total benefits paid declined by 2.3%. The strong labour market of 2000 resulted in more family incomes rising above the $25,921 income cap and, in turn, has led to fewer individuals qualifying for the Family Supplement.

As was reported in previous Monitoring and Assessment reports, the proportion of claimants reporting **work while on claim**, a flexible provision designed to promote work attachment, has been declining. This trend continued in 2000/01. In order to determine whether the design of the provision is creating disincentives to work while on claim, analysis using the EI administrative data was undertaken. Preliminary analysis indicates that claimants may be hesitant to accept a week of work while on claim unless they can reduce their benefits to zero and keep that week of entitlement for later use. Moreover, it suggests that first-time and occasional users are much more willing to accept a partial week of work than frequent claimants. The provision will be further analyzed to better understand how its design affects the incentive to accept work while being on claim.

Some elements of EI reform were designed to reduce the costs of the program while still providing adequate support to claimants. Initially, the analysis of **savings** in the report was designed to focus on incremental savings to regular benefits from the 1996 reform measures that were intended to generate cost reduction. These included the maturing of the Maximum Insurable Earnings freeze, the intensity rule and the benefit repayment provisions, partly offset by the increased costs of the Family Supplement. However, the EI program has undergone a number of changes over the past two years, making it difficult to separate the relative impact on savings from the 1996 reforms, the more recent changes to special benefits in Bill C-2, and changes in the economy. Nevertheless, the analysis that could be done indicates that savings from these measures were in line with the expectations set in 1996.

In support of legislative changes and in response to increased claim loads, an administrative strategy is in place to ensure that the program remains responsive to clients' needs. To this end, HRDC is working with employers and workers to ensure that the highest **quality service** is provided. In line with HRDC's objective of providing quick, efficient service to its clients, a new initiative was introduced to permit more accurate and timely processing of EI claims, and efforts continued to enhance the balance between speed of service and accuracy and quality of payments. Further, EI claims were received on a pilot basis over the Internet, expanding the choices available to Canadians. Additionally, EI appeals continue to be heard in a timely fashion by independent boards in 83 appeals centres across Canada.

III. EMPLOYMENT BENEFITS AND SUPPORT MEASURES

The 1996 reform emphasized the use of active re-employment measures, known as Employment Benefit and Support Measures (EBSMs). Partnerships with the provinces and territories established through Labour Market Development Agreements (LMDAs) allow provinces/territories to use EBSMs to meet the needs of local labour markets. Both the number of clients served and the number of EBSM interventions remained stable in 2000/01, despite the increase in the number of new EI claims. This was due to the fact that most of the increase in claims occurred in the final quarter of 2000/01 and there is a lag between the time that an individual becomes unemployed and the time when that individual seeks re-employment assistance. Further, not all new EI claimants will seek assistance through EBSMs.

As was the case in previous reporting periods, short-term interventions accounted for the majority of new interventions in 2000/01. At over two-thirds, this is reflective of a strong economy and labour market where short-term interventions are often determined to be the best option to meet clients' needs.

Women's participation rate in both long- and short-term interventions remained relatively stable in 2000/01. While women participated in nearly half of all interventions, overall, they were more likely than men to participate in short-term rather than long-term interventions because fewer women participate in apprenticeship training programs. Long-term interventions increased for persons with disabilities, decreased for Aboriginal peoples, and remained stable for members of visible minorities.

Finally, the key EBSM success indicators of returns to work and unpaid benefits remained relatively stable in real terms in 2000/01, reflecting the overall strength of the labour market.

IV. SUMMING UP

The responsiveness of the EI program to the economy was confirmed in 2000/01. As growth slowed at the end of the reporting period, Canadians accessed the program in greater numbers. Increases in claims for EI benefits occurred among Canadian workers who do not often use the program. That is, those with long durations of insured employment and first-time and occasional claimants. Moreover, the Variable Entrance Requirements ensured comparable access across all regions. Variable Entrance Requirements are designed to respond quickly to changing labour market conditions by extending the entrance requirements and the duration of benefits as unemployment increases.

While the elements of EI reform continue to meet their primary objectives of providing temporary income support to people who lose their jobs and helping them return to work, the program was modified in 2000/01 to address some provisions that were not functioning as well as expected. As a result, the intensity rule was eliminated, the clawback threshold was raised, and first-time claimants and special benefits claimants were exempted from the clawback provisions. Furthermore, the re-entrant rules were adjusted so that parents re-entering the labour force after taking an extended leave to care for young children faced the same entrance requirements as other claimants in their region.

In 2000/01, adjustments were also made that extended the duration of parental benefits and improved its accessibility and flexibility. However, it is too early to draw firm conclusions regarding the impact of these provisions.

Chapter 1 – Context

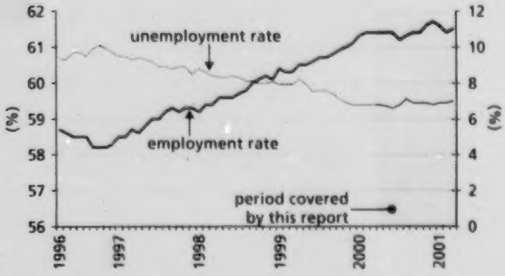
This chapter provides the economic context in which the Employment Insurance (EI) reforms of 1996 can be assessed for fiscal year 2000/01. The first section of the chapter outlines key labour market changes and the second section describes the recent legislative context.

I. LABOUR MARKET CONTEXT[1]

1. Overview

Although growth has slowed since the last reporting period, as shown in Chart 1, the Canadian economy and labour market performed well in 2000/01. Declining demand for consumer goods in the United States resulted in a corresponding slowdown in the Canadian economy in the fourth quarter, as trade with the U.S. decreased.

Chart 1: Economic Context since EI Reform



Source: Labour Force Survey

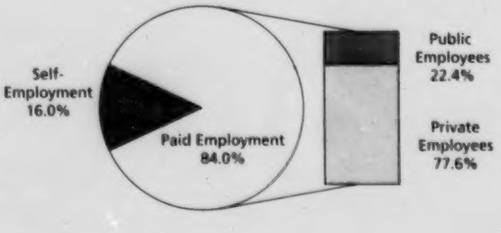
2. Employment

About 5.2 million Canadians were hired and 5.0 million left their jobs in 2000/01, further reflecting the dynamic economy during most of the reporting period. Employment increased by 330,000 (2.3%) in 2000/01 from 14.6 million to nearly 15.0 million. This was lower than the growth in 1999/00 (2.8%). In 1999/00, all of the employment growth was full time with part-time employment declining. In comparison, growth was 2.5% in full-time employment and 1.3% in part-time work in 2000/01, a further indication of the slowing of the economy. In contrast to 1999/00, employment growth was higher in the services-producing sector (2.6%) than in the goods-producing sector (1.2%).

All new jobs in the economy were created in paid employment in 2000/01. Paid employment grew by 3.5% whereas self-employment declined by 1.6%, compared to 1999/00.

Self-employment appears to have reached a plateau at the end of the 1990s. After continuously rising throughout the 1990s and peaking at 16.7% in 1998, the proportion of the Canadian labour force that was self-employed declined to 16.0% in 2000 from 16.6% in 1999 (please refer to Chart 2). The fact that the proportion of the labour force

Chart 2: Employment by Type of Job, 2000



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[1] Unless otherwise indicated, the period analyzed in this report is from April 1, 2000 to March 31, 2001. Job growth and unemployment measures are calculated using annual averages of seasonally adjusted data over the fiscal year April 1, 2000 to March 31, 2001, unless otherwise indicated. The Labour Force Survey (LFS) underwent extensive revisions in January 2000 to reflect important changes to the way in which labour market data are produced. As a result, all LFS estimates have been revised back to January 1976. For more information on these revisions, please refer to "Improvements in 2000 to the LFS" at Statistics Canada's Web site (www.statcan.ca).

that is self-employed has remained high, despite strong employment growth in paid employment, suggests that its rise throughout the 1990s has not been a cyclical response to the lack of job opportunities in paid employment. In fact, a recent HRDC-Statistics Canada survey on self-employment[2] indicates that only 20% of the self-employed claimed that they had become self-employed as a result of a lack of opportunities in paid employment. Further, only 30% of the self-employed indicated that they would have accepted an offer of a comparable position in paid employment. The increased proportion of the labour force that is self-employed is significant because paid employment is insured under EI but self-employment is generally not covered under the program.

3. Unemployment

As a result of slower employment growth in the fourth quarter, the average unemployment rate fell by only 0.4 percentage points, from 7.3% to 6.9%, compared to a decline of 0.8 percentage points in 1999/00. The average unemployment rate was 6.7% for women and 7.0% for men, down from 7.0% and 7.5%, respectively, in 1999/00. Youth experienced the most significant decline, as the average unemployment rate fell by a full percentage point to 12.6%. The average unemployment rate for older workers remained stable at 5.2%.

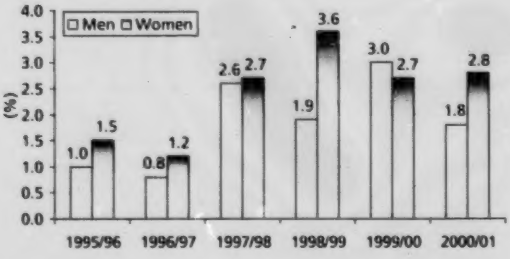
The change in the unemployment rate from the beginning to the end of the reporting period is also important to note. In March 2001, the unemployment rate rose to 7.0% from 6.8% in April 2000. However, the year-over-year change was very different for women than it was for men. The unemployment rate for women fell to 6.5% in March 2001 from 6.7% in April 2000. For men, on the other hand, the situation was reversed, with the year-over-year unemployment rate increasing to 7.5% from 6.9%. This reflects the slowdown in manufacturing that began in the last quarter of 2000/01, as a result of reduced consumer demand in the U.S. Men are more highly represented in the goods-producing sector and, therefore, are more affected by a slowdown in manufacturing production.

The youth unemployment rate also improved slightly during the reporting period, declining to 12.8% in March 2001 from 13.0% in April 2000.

4. Women, Men and Youth

Employment growth was higher for women (2.8%) than for men (1.8%) in 2000/01. Job growth for women is consistent with employment growth in the service sector as women are more highly represented in services-producing industries than in goods-producing industries. Although this is in reverse of 1999/00 employment growth rates, as shown in Chart 3, it continues the trend identified in previous Monitoring and Assessment reports where women's employment growth outpaced that of men. The higher employment growth rate for men in the 1999/00 reporting period was directly related to a higher growth rate in the goods-producing sector, which has since slowed down. Not only did women experience higher job growth overall than men, but growth for

Chart 3: Employment Growth by Gender



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[2] Results from the Survey of Self-Employment in Canada was released on January 29, 2002.

women occurred almost entirely in full-time work (3.6%). Part-time employment for women remained relatively stable (+0.7%). On the contrary, men had higher employment growth in part-time employment (2.6%) than in full-time employment (1.7%).

Within the services-producing sector, women's employment increased by 3.3%, nearly double the growth in men's employment in that sector (1.8%). More than half of the growth for women occurred in the retail trade and the health care and social services industries, where women are more highly represented (54% and 81%, respectively). Women's employment level in the goods-producing sector remained relatively stable (-0.2%).

Job growth for men was evenly divided between the goods-producing (1.7%) and the services-producing (1.8%) sectors. This is in contrast to the previous reporting period when men's employment growth was concentrated in the goods-producing sector, specifically the manufacturing and construction industries. Nearly 77% of the employment growth for men in the services-producing sector was in the professional, scientific and technical industry, the information, culture and recreation industry and the management, administrative and other industry. This indicates that job growth for men in the services sector has occurred in industries that generally require higher levels of education and that pay higher wages than those in which employment growth for women occurred.

Youth experienced strong employment growth (3.6%) in 2000/01, continuing the trend identified in the last two Monitoring and Assessment reports. As in previous reporting periods, strong growth in the retail trade (7.0%) and accommodation, food and beverage (5.8%) industries was largely responsible for the overall employment growth for youth as about 42% of youth are employed in these two industries. It is also important to note that nearly two-thirds (64%) of jobs created for youth were full time. While this figure is lower than in 1999/00, when over 86% of new employment for youth was full time, it represents continuing strength in the youth labour market. It should be noted, however, that youth employment growth slowed at the end of 2000/01. Historically, youth have been one of the first groups to be adversely affected in times of economic slowdown. Declining employment growth for youth in the fourth quarter of 2000/01 is consistent with this trend.

Employment growth for workers, aged 55 and older, rose by 3.8%. While this is considerably less than the 6.2% growth of 1999/00, older workers still experienced job growth that was higher than the national average and their unemployment rate remained stable. It should be noted, however, that employment growth for older workers declined from 5.7% in the first quarter to 1.7% in the fourth quarter.

Labour Force Survey data indicates that long-term unemployment[3] was at its lowest level (6.5%) in 2000/01 since 1991/92. In 2000/01, 11.7% of unemployed older workers were long-term unemployed, compared to 8.2% of prime-age workers and 1.9% of youth. It is important to note that the proportion of unemployed older workers who were long-term unemployed has decreased considerably from a peak of 26.1% in 1995/96.

Labour force participation appears to have stabilized. Overall participation rose by 0.3 percentage points in 2000/01, with an increase of 0.6 percentage points for women and a decrease of 0.1 percentage points for men. This is significant as it appears that after increasing from about 45% in the mid-1970s, the participation rate for women in the labour force seems to have plateaued at about 60%. The rate for men has stabilized at about 73%.

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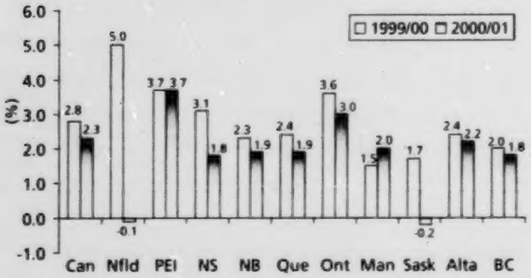
[3] Long-term unemployment is defined as unemployment of 53 weeks or more.

5. Provincial Labour Markets

While job growth was spread across provinces, it is important to note that all provinces experienced a slowdown in growth in the final months of the fiscal year. Only Manitoba had a growth rate that was higher than in 1999/00. Most provincial employment growth rates were near the national average of 2.3% (please see Chart 4).[4] Newfoundland and Labrador and Saskatchewan were the only provinces that experienced small employment losses. Employment growth in Newfoundland and Labrador declined due to the conclusion of large projects that had boosted employment growth in previous years, such as Hibernia, as well as employment declines in fishing and related fish processing. The continued slowdown in agriculture, as well as related sectors such as farm equipment wholesale, caused the decline in employment in Saskatchewan.

Chart 4: Employment Growth by Province



The highest rates of growth were in Prince Edward Island (3.7%) and Ontario (3.0%), although employment growth in Ontario was lower than in 1999/00 (3.6%). As in 1999/00, growth in PEI was related to tourism and related industries. Ontario's growth in 2000/01 was balanced between the goods-producing and services-producing sectors at 2.4% and 3.2%, respectively. It is important to note the contrast to 1999/00 in Ontario, when employment growth was much more significant in the goods-producing sector (5.6%) than in the services-producing sector (2.9%). This shift is largely a result of reduced trade with the U.S. in the final quarter of 2000/01.

In contrast to 1999/00 when unemployment rates declined more in the Eastern provinces of the country than in the Western regions, provincial unemployment rate decreases were larger in Western Canada than in Eastern Canada in 2000/01, with the exception of PEI. The largest percentage point declines in unemployment rates were in PEI (-1.3), Manitoba (-0.8), BC (-0.8), and Alberta (-0.6). The only increase in the unemployment rate occurred in New Brunswick (0.6 percentage points) where the labour force increased by 2.6%, more than offsetting the 1.9% growth in employment.

Also, unlike last year, when unemployment rates declined in most of the EI regions, changes in unemployment rates varied across regions in 2000/01, with the most noticeable change being an increase in the unemployment rate in more than half of the Ontario EI regions (please refer to Annex 2.1).

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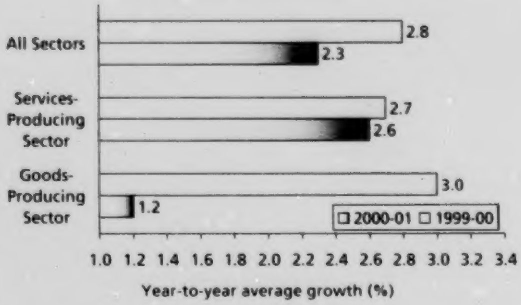
[4] Please note that the Labour Force Survey does not include data for the Yukon, the Northwest Territories or Nunavut.

6. Sectoral Labour Markets

The provincial observations reflect the results seen at the sectoral level. Chart 5 shows that job growth was higher in the services-producing sector (2.6%) than it was in the goods-producing sector (1.2%) in 2000/01, reversing the ranking in the last reporting period, but following the pattern observed prior to 1999/00. The reduced growth in the goods-producing sector from 3.0% in 1999/00 to 1.2% in 2000/01 was primarily due to the slowdown in manufacturing in the last quarter of the fiscal year.

Chart 5: Employment Growth by Sector



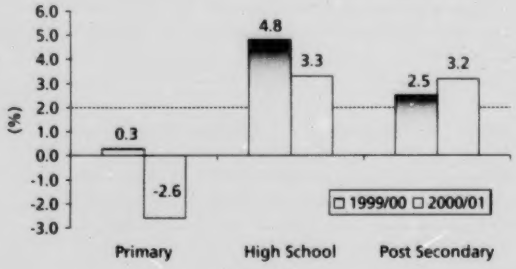
Moreover, the industries that experienced the highest growth in the goods-producing sector in 2000/01 were different than those in 1999/00. The manufacturing and construction industries propelled the growth in the goods-producing sector in 1999/00, whereas in 2000/01, the mining, oil and gas extraction industries experienced the largest increase in employment growth at 9.2%. A resurgence of oil and gas prices reversed a trend of declining employment in this industry.

The industries that experienced the highest growth within the services-producing sector, are among those that generally require specific skills and/or education. For example, the industries with the highest growth in the sector were information, culture and recreation (7.8%); management, administration and other support (7.3%); and professional, scientific and technical services (6.4%). Employment declined in educational services (-2.2%) and public administration (-1.7%).

7. Education

Education became even more critical to labour market success in 2000/01. It is significant to note how quickly employment levels for those without a post-secondary education began to decline in response to a slowdown in the economy. While employment growth for post-secondary graduates (3.2%) exceeded that in 1999/00 (2.5%), job growth for those with a high school education was lower in 2000/01 (3.3%) than in 1999/00 (4.8%) and employment declined by 2.6% for those with less than a high school education (please see Chart 6). Moreover, those with the highest level of education, university graduates, had employment growth of 4.8% in 2000/01, more than double the national average.

Chart 6: Employment Growth by Educational Attainment



It is important to note that employment levels began to decline quite sharply for those with a high school education and less in the last half of 2000/01, when the slowdown in the economy became evident. At the same time, employment levels for those with a post-secondary education remained stable. This confirms the view that the lower the level of education, the more susceptible a worker becomes to job loss once economic conditions begin to slow. It is also important to note that university graduates have consistently had unemployment rates that were significantly lower than the overall unemployment rate.[5]

II. RECENT LEGISLATIVE CONTEXT[6]

The most significant change to the Employment Insurance (EI) program over the past 30 years occurred with the introduction of the *Employment Insurance Act* in 1996. This Act implemented the reforms that replaced the former Unemployment Insurance program with the EI program. The 1996 reform was designed to promote greater labour force attachment through the introduction of stronger insurance principles. The basis for eligibility was switched from weeks to hours of work. Changes also included a new benefit structure and new rules for frequent claimants, as well as stricter eligibility requirements for new and re-entrants to the labour market. Elements of the program providing support to claimants in low-income families with children were also better targeted with the introduction of the Family Supplement.[7]

Under EI, active re-employment measures were redesigned to better respond to different needs and circumstances across the country. The new Employment Benefits and Support Measures (EBSMs) also provided the basis for more cooperative relations with the provinces and territories.

In the 2000 Budget, the Government of Canada announced the first significant legislative changes to EI since 1996.[8] Effective December 31, 2000, Bill C-32 extended the duration, accessibility and flexibility of parental benefits in order to support parents in balancing the demands of work and family during a child's critical first year.[9] The maximum duration of parental benefits was increased from 10 to 35 weeks, allowing for a maximum of 50 weeks of special benefits (combined maternity, parental and sickness benefits), provided they are taken within 52 weeks of the date of birth or arrival of the child. The number of hours of insurable employment required to qualify for maternity, parental or sickness benefits was also reduced from 700 to 600 hours in order to improve accessibility. Further, to enhance flexibility for parents, a second parent sharing parental leave was no longer required to serve the two-week waiting period. Parents also became entitled to earn the greater of $50 or 25% of their weekly parental benefit without a reduction in their EI benefits, thereby increasing flexibility when returning to work.

On February 2, 2001, the Government of Canada introduced a second set of legislative changes to EI.[10,11] Under these amendments, the benefit repayment provisions (clawback), initially introduced to reduce EI use by higher income repeat claimants, were adjusted to improve targeting and reflect changing economic realities, effective for the 2000 tax year. All first-time and special benefits claimants were exempted from the benefit repayment provision as there was not an issue of repeat use with these claimants. Additionally, in order to simplify the structure of repayment and to ensure that these provisions were appropriately targeted to higher income earners, a single threshold for repayment was set at $48,750 of net income and the maximum repayment was limited to 30% of net benefits, up to 30% of net income above $48,750.

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[5] Annual Labour Force Survey data shows that the unemployment rate for university graduates has been about half of the overall unemployment rate in every year since the mid-1970s.

[6] For a more exhaustive legislative chronology, see Annex 1.

[7] For a more complete description of the evolution of EI, please see the 1997, 1998, 1999 and 2000 Monitoring and Assessment reports.

[8] It should be noted that *An Act to Modernize the Statutes of Canada* in relation to benefits and obligations was given Royal Assent on June 29, 2000. By amending various statutes, including the *Employment Insurance Act*, it extends benefits and obligations to all couples (opposite and same-sex) who have been cohabiting in a conjugal relationship.

[9] Bill C-32, the *Budget Implementation Act*, received Royal Assent on June 29, 2000. Parents of children born, or placed in the parent's care for adoption, on or after December 31, 2000, are eligible for the enhanced parental benefits.

[10] Bill C-2, (originally introduced as Bill C-44), *An Act to Amend the Employment Insurance Act and the Employment Insurance (Fishing) Regulations* received Royal Assent on May 10, 2001. Bill C-2 also contained provisions to freeze Maximum Insurable Earnings (MIE) at $39,000 per year until the average industrial wage reaches this level.

[11] There have also been ongoing adjustments and improvements to EI since 1996. For example, small weeks became a national and permanent part of the program on November 18, 2001 and changes to undeclared earnings became effective on August 12, 2001.

The intensity rule, which had been implemented to discourage repeat use of EI by reducing the benefit rate of frequent EI claimants, was also eliminated, retroactive to October 1, 2000. The intensity rule had proven to be ineffective in discouraging repeat use and therefore had the unintended effect of penalizing claimants who faced limited opportunities for work.

Changes were also made to the re-entrant provision to make it more responsive to parents returning to the labour force following an extended absence caring for young children. Re-entrant parents who have received EI maternity and parental benefits in the four years prior to the normal two-year "look back" period can now access regular benefits with the same number of hours as other regular claimants in their region.

The *Employment Insurance Fishing Regulations* were adjusted retroactively to December 31, 2000, to allow self-employed fishers to access the enhanced maternity, parental and sickness benefits as well.

Lastly, the changes of February 2, 2001 included the extension of the Monitoring and Assessment report to 2006. The date on which the annual report must be submitted to the Minister was also changed, from December 31 to March 31, to allow more time for consultations with the provinces with respect to Employment Benefits and Support Measures.

Chapter 2 – Income Benefits

This chapter describes changes in the number of new EI claims and the amount paid out in benefits in 2000/01. It also assesses the impacts of key elements of EI reform on income benefits and discusses changes made under Bill C-2, an *Act to Amend the Employment Insurance Act and the Employment Insurance (Fishing) Regulations.*[1] Data for 2000/01 is compared to 1999/00 data.[2] Trends from 1995/96 are also discussed.

Under EI, there are three types of income benefits: regular benefits, which provide temporary income support to people who lose their jobs in paid employment; fishing benefits, which provide temporary income support to fishers; and special benefits. Three categories of income support are available under special benefits: maternity, parental, and sickness benefits.[3]

I. TOTAL INCOME BENEFITS

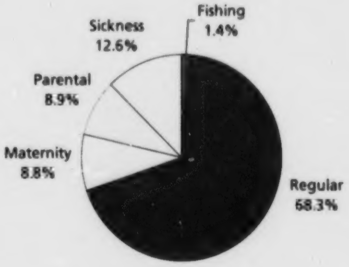
1. Overview

In 2000/01, there were about 1.8 million new claims for EI income benefits, an increase of 2.4% from 1999/00. The increase in claims occurred primarily in the fourth quarter of 2000/01 due to both the economic slowdown, which resulted in a substantial increase in regular claims, and a reduction in the hours needed to qualify for special benefits in 2001.[4] Reflecting relatively strong employment growth, women's claims remained stable (-0.1%) while claims by men and youth increased by 4.6% and 2.5%, respectively. Provincially, claims increased in Manitoba and all provinces east, and declined in all provinces west of Manitoba and in the Territories. The most significant increases occurred in Ontario (7.8%), Prince Edward Island (4.4%) and Nova Scotia (2.9%), while the largest decreases were in the Northwest Territories (-11.5%), Yukon (-8.4%) and Alberta (-6.5%).

Total benefit payments fell by 1.0% to about $9.3 billion. However, when examined across industrial sectors, total benefits paid varied. The largest declines were in communications and utilities (-18.6%) and mining, oil and gas (-15.8%), while increases in benefits were highest in fish harvesting (7.1%) and fishing and trapping (5.4%), as a result of the increase in the value of certain fish harvests, and in manufacturing (2.8%). It should be noted that the increase in benefits paid in the manufacturing sector was roughly double that in the fishing industries.

As shown in Chart 1, more than two-thirds of new claims were regular claims. Special

Chart 1: Total New Claims 2000/01



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[1] Bill C-2 received Royal Assent on May 10, 2001, but included retroactive measures affecting the 2000/01 reporting period.

[2] Unless otherwise stated, analysis in this chapter is based on Employment Insurance administrative data for the period between April 1, 2000 and March 31, 2001, with a comparison to previous fiscal years.

[3] Please refer to Annex 1 of previous Monitoring and Assessment reports for an explanation of types of benefits.

[4] Under the enhancements to special benefits, the number of hours needed to qualify was reduced from 700 to 600 hours.

benefits (maternity, parental and sickness benefits) accounted for 30% of all new claims and fishing claims represented just over 1% of all new claims. This is similar to the distribution of claims in 1999/00.

The number of claims by benefit type and the changes between 1999/00 and 2000/01 are as follows:

- claims for regular benefits increased 0.8% to 1.37 million;
- claims for fishing benefits increased 11.0% to 28,229; and
- claims for special benefits increased 6.0% to 425,550.

The factors explaining these increases are addressed later in this chapter.

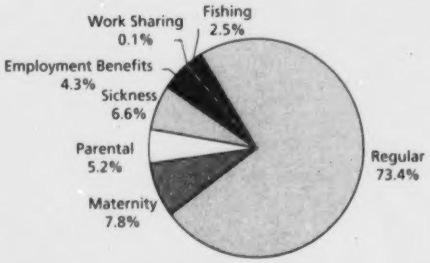
The amount of benefits paid by type and the changes between 1999/00 and 2000/01 are as follows:

- regular benefits declined 2.7% to $6.8 billion;[5]
- fishing benefits increased 8.6% to $235.6 million;
- special benefits increased 5.2% to $1.8 billion;
- Work Sharing benefits increased 5.1% to $10.6 million; and
- income benefits paid to claimants participating in Part II Employment Benefits decreased 3.6% to $397.8 million.

Chart 2 shows the proportion of total benefits associated with each type of benefit. About three-quarters of income benefits were paid as regular benefits. Special benefits accounted for 19.6% of all benefits paid, up from about 18.5% last year. The proportion of benefits paid to fishers was 2.5%, about the same as last year. Claimants participating in Employment Benefits[6] received 4.3% of total income benefits. Work Sharing, which represented 0.1% of benefits paid, is a program designed to avert temporary layoffs by offering EI income benefits to workers who are eligible for EI and who are willing to work a reduced workweek for a temporary period. The Work Sharing program enables employers to prevent layoffs by sharing the work that is available through shortening the workweek of employees. Workers, in turn, receive a combination of earnings from reduced employment and EI income benefits. This program could become more significant during economic downturns.

Chart 2:
Total Income Benefits 2000/01

$9.3 billion



2. Frequent Claimants[7]

In 2000/01, frequent claimants made up 37.3% of all regular and fishing claims, down from 39.3% in 1999/00. The number of claims made by frequent claimants fell by 4.1% to 522,148. Similar to previous reporting periods, about 80% of all frequent claimants had a "seasonal" pattern of making claims (please see Chart 3).[8]

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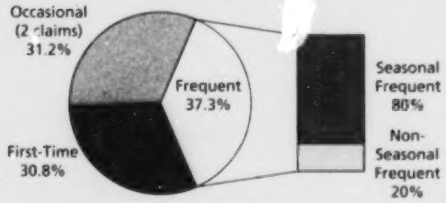
[5] It should be noted that the negative correlation of claims and benefits paid appears due to the fact that there is a lag between the time that a claim is made and the time that the corresponding benefits are fully paid out. In 2000/01, most new claims were filed in the final quarter and, therefore, the corresponding benefit payout will not appear until the next reporting period.

[6] Part I income benefits may be paid to active claimants participating in the Self-Employment, Skills Development and Job Creation Partnerships interventions delivered under EI Part II. Please refer to Chapter 3 for a discussion of EBSMs.

[7] Frequent claimants are defined as those claimants who have made three or more regular and/or fishing claims in the past five years. Note that as a result of a methodological change to allow for the inclusion of Nunavut, all data have been revised back to 1995/96.

[8] Individuals who started previous claims at about the same time of the year as their current claim are considered seasonal claimants.

Chart 3: Claims & Frequency of Use of Regular and Fishing Benefits



Men continued to file just over two-thirds of all frequent claims (please refer to Annex 2.7), reflecting the lower likelihood of women working in seasonal jobs.

As in previous reporting periods, the decrease in frequent claims was higher among non-seasonal frequent claimants. Seasonal claims dropped by only 3.7%, compared to 5.6% for non-seasonal claims. This is not surprising as the nature of some seasonal work does not necessarily lead to a decline in claims in periods of strong economic growth.

The majority of frequent claims continue to be filed in Quebec, at over 37%. Increases in the number of frequent claims occurred in Newfoundland and Labrador (5.3%) and Prince Edward Island (3.7%). The largest declines in frequent claims were in Manitoba (-7.9%), and Ontario (-7.8%).[9]

Frequent claimants received just under $2.9 billion in regular and fishing benefits during 2000/01. Although this is a slight decline from 1999/00 (-2.6%), frequent claims continued to comprise about 41% of all regular and fishing benefits paid, the same as in 1999/00. Due to the elimination of the intensity rule, as well as increases in average wages, average weekly benefits for frequent claims increased over the previous reporting period (5.2%), from $305 to $321, and remain 7.6% higher than the average for all regular and fishing claims.[10]

Male frequent claimants filed 3.2% fewer claims in 2000/01, while claims filed by female frequent claimants declined by 6.0%. By age group, youth had the largest decrease (-9.8%), but claimants under 25 years accounted for only about 3% of all frequent claimants. Claims dropped substantially in the 25 to 54 age category (-4.9%), which is significant because most (82.3%) frequent claimants fall into this category. As in past years, this suggests that prime working-age claimants were better able to access other job opportunities in the favourable labour market conditions that prevailed during most of the reporting period. Older claimants, who tend to be less mobile, did not fare as well, with frequent claims for those 55 years and over increasing by 2.0%.

3. Reform Elements

Under EI, important changes were introduced to the legislation to strengthen workforce attachment and to respond to changes in the labour market. Changes to the legislation included new methods of determining eligibility and entitlement, the introduction of an intensity rule, a strengthening of the benefit repayment provisions and stricter eligibility requirements for new entrants and re-entrants to the labour market. Changes were also made to provide higher levels and better targeted assistance to low-income families through a Family Supplement.[11]

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[9] As noted in Annex 2.7, the decrease in the Northwest Territories was 35.4%. However, due to the small absolute number of frequent claimants, this reflects only 202 claims.

[10] It is important to note that this average weekly benefit does not reflect the impact of the benefit repayment provisions under EI because the provisions are administered through the tax system after benefits are received. Please refer to sections on benefit repayment later in this chapter for an analysis of benefits repaid by type of benefits.

[11] Please refer to the *2000 Monitoring and Assessment Report* for more information on the elements of EI reform. For discussion of the hours-based system, entitlement and duration, please see the sections on regular benefits, fishing benefits and special benefits in this chapter.

Further changes were made under Bill C-2 eliminating the intensity rule and adjusting the benefit repayment provision. The re-entrant provisions were also modified so that parents re-entering the labour force after a leave taken to care for young children would qualify for benefits with the same entrance requirements as others in their region.

Family Supplement

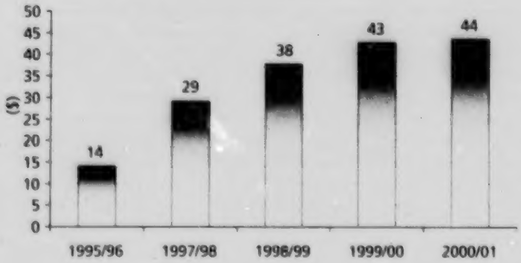
The Family Supplement provides additional benefits to claimants in low-income families with children by increasing the maximum benefit rate they can receive to 80%.[12] To qualify for the Family Supplement, claimants must have at least one dependent child, and have a net family income of $25,921 or less.

Results show that a total of 187,250 low-income EI claimants received higher weekly benefits through the Family Supplement in 2000/01. This represents 10.7% of all claims, down marginally from 11.4% in 1999/00. (Please refer to Annex 2.13).

Total payments under the Family Supplement declined 2.3% to $157.4 million. The decline in benefits paid occurred as a result of a reduction in the number of claims receiving the supplement (-4.1%). The strong labour market of the past few reporting periods has resulted in increased earnings, which, in turn, has resulted in more families having incomes higher than $25,921. However, it is worth noting that the average weekly top-up grew 1.6% to $44 per week (see Chart 4).

Average weekly benefits for Family Supplement recipients increased slightly from $254 to $255. This is about 38% higher than the pre-EI reform average weekly benefit of $185 in 1995/96. It is important to note that over two-thirds of Family Supplement payments went to women, although women accounted for only 45% of all EI claims during this period. In fact, payments to women increased (3.3%), while payments to men declined by 11.8%.

Chart 4: Average Family Supplement Top-ups



Youth with children continue to benefit from the Family Supplement, with 11.2% of all Family Supplement claims going to youth. This is slightly higher than their proportion of total claims (13.0%). It is also worth noting that the percentage of youth receiving higher benefits through the Family Supplement increased slightly from 11.0% last year to 11.2% in 2000/01, the fourth consecutive year claims receiving the Family Supplement have increased.

Decreases in Family Supplement payments occurred across most provinces and territories. However, there were increases in Manitoba (10.5%), Saskatchewan (7.2%) and Ontario (3.9%).

Intensity Rule

The intensity rule decreased the benefit rate for those who make long or frequent claims by 1% per 20 weeks of benefits received over a five-year claim history, to a maximum of 5%. The objective of the intensity rule was to discourage the use of EI as a regular income supplement but not to excessively reduce the benefits of those who make long or frequent claims. Claimants receiving the Family Supplement and/or claiming special benefits were exempt from the intensity rule. Analysis presented in previous Monitoring and Assessment reports indicated that the intensity rule was not having the intended impact of reducing reliance on EI. As of October 1, 2000, the intensity rule was eliminated. Therefore, the following results reflect only the six months in which the intensity rule was in effect.

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[12] Like other claimants, claimants receiving the Family Supplement are subject to a maximum weekly benefit of $413.

The number of regular and fishing claims affected by the intensity rule declined by 1.0% from 202,500 to 200,410 (please refer to Annex 2.16) in the first two quarters of 2000/01 over the same period in 1999/00. The proportion of total claims subject to the intensity rule was highest in Quebec (37.9%), Ontario (17.0%) and British Columbia (9.9%). Of those affected by the intensity rule in this reporting period, more than half were men. As in past years, this reflects the fact that men are more likely than women to be repeat claimants because men are more likely to work in seasonal industries.

Benefit Repayment Provisions (Clawback)

Benefit repayment provisions were designed to ensure that high-income claimants repay some of their benefits once their annual net income, including EI benefits, exceeded a certain threshold. While the clawback was originally introduced under UI in 1979, the threshold at which benefits are repaid was lowered significantly under EI. EI also created a two-tier threshold with a lower threshold for repeat users and a requirement to pay back a larger share of benefits, varying between 50% and 100%, with each subsequent use. In all cases, the repayment would be no greater than 30% of the individual's net income in excess of the clawback threshold.

Previous analysis undertaken in the monitoring and assessment process indicated that for tax year 1998, 28,375 individuals, or about 31% of all individuals who repaid regular benefits, earned between $39,001 and $48,750. Further, these individuals collectively repaid $35.6 million, representing roughly 36% of total regular benefits repaid. These results demonstrated that the benefit repayment provisions were having a disproportional impact on middle-income claimants. Additionally, with respect to special benefits, just over 74% of claimants who repaid their benefits had incomes between $48,751 and $60,000 and close to 70% of these claimants were women.

Under Bill C-2, effective for tax year 2000, first-time claimants and recipients of special benefits are exempt from the clawback and the thresholds were changed to focus on high-income claimants and to simplify the provision. The lower threshold has been removed so that all regular and fishing claimants are subject to benefit repayment on net income above $48,750. Further, the amount of repayment is limited to 30% of benefits, up to 30% of net income over $48,750.

As benefit repayment is administered through the tax system, the most recent data available is for the 1999 taxation year. Consequently, the results in this reporting period do not reflect the Bill C-2 changes.[13]

The number of people who repaid some of their EI benefits in 1999 was 144,160, representing an increase of 25.0% over 1998 (please refer to Annex 2.15). Among claimants affected by the clawback provision, 77% were regular beneficiaries, 10% were in receipt of special benefits, 3% received fishing benefits, and 10% had claims of more than one benefit type.

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[13] In 1999 first-time and special benefits claimants were subject to a net income threshold of $48,750. Repeat claimants were subject to the lower threshold of $39,000. For repeat claimants the maximum portion of benefits to be repaid varies depending on the actual number of weeks of regular or fishing benefits received in the past five years. Please see Annex 1 of the *2000 Employment Insurance Monitoring and Assessment Report* for further information.

As was the case in the last reporting period, about 87% of claimants affected by the clawback were men. However, unlike in 1998, when the number of men affected by the clawback provision increased much more quickly than the number of women (48.2% compared to 25.4%), increases in the number of men and women affected were almost identical (25.1% and 24.0%, respectively) in 1999.

Significant increases in the number of claimants affected by the clawback provision were noted in all regions of Canada. The largest increases were in Newfoundland and Labrador (73.8%), New Brunswick (61.3%) and Nova Scotia (57.0%).

The total amount repaid by claimants in 1999 increased by 48.8% to just under $184.4 million. The amount of benefits that men were required to repay increased by 51.1%, compared to 32.6% for women. This reflects the fact that men are more likely to be repeat claimants and, therefore, are more often subject to benefit repayment at the lower threshold. Men repaid $163.8 million, or about 89% of all benefits repaid, up slightly from 87% last year. By province, the most significant increases in the amount repaid were noted in Newfoundland and Labrador (113.7%), Nova Scotia (88.4%), and New Brunswick (83.7%). It should be noted, however, that most of the benefits repaid came from the most populous provinces with about 28% of all benefits repaid in Ontario, 23% in Quebec, and 15% in British Columbia.

4. Small Weeks Pilot Project

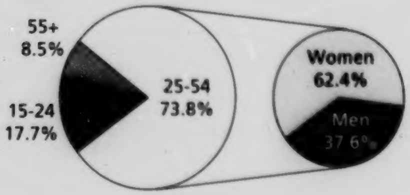
Under EI, benefit levels are based on average earnings within a 26-week period preceding the establishment of the claim. Total earnings are divided by the number of weeks of work during this period or the minimum divisor, whichever is greater. The result is multiplied by 55% to determine the weekly benefit. While this process has worked well for the most part, there was a disincentive for some workers to accept weeks with lower than average earnings ("small weeks") because these earnings lowered the amount received in benefits. Small Weeks adjustment projects were introduced in May and August 1997 in high unemployment regions to examine whether this disincentive could be reduced or removed. When the projects expired on November 14, 1998, a new pilot project was introduced.

The analysis in this year's report focused on results relating to the period between the introduction of the new pilot project in November 1998 and March 2001, the end of the reporting period. These results indicated that about 321,190, or 12.7% of all claims established in participating EI regions, included small weeks. This is about the same proportion as reported last year.

Similar to the results in last year's Monitoring and Assessment report, 18.1% of women's claims and 8.8% of claims made by men, since November 1998, included small weeks. Furthermore, claims with small weeks continue to constitute a relatively high percentage of all claims filed in Newfoundland and Labrador (20.6%) and in Eastern Nova Scotia (19.9%). Conversely, the lowest percentage of claims with small weeks was in Northern Manitoba (1.5%).

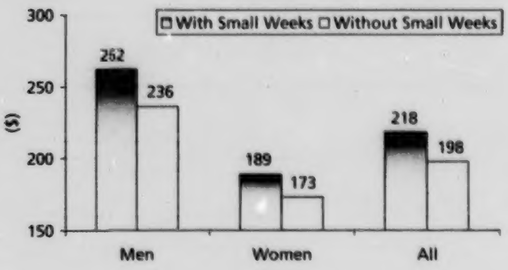
As shown in Chart 5, prime age workers (those between 25-54 years) accounted for almost three-quarters of the claims with small weeks (73.8%), while older workers and youth accounted for 8.5% and 17.7%, respectively. As a result of their labour market patterns, women benefited from the Small Weeks project more than men, filing 59% of all claims with small weeks. Among prime age workers, women filed 62.4% of small weeks claims.

Chart 5: Percentage of Small Weeks Claims, by Age



As shown in Chart 6, the average weekly benefit of participants in Small Weeks was $218. On average, weekly benefits were $19 higher than they would have been without the project. Moreover, the additional income paid to participants were estimated to be about $725 in total, of which 44% were due to additional weeks of work and 56% were due to additional EI benefits received over the period of the claim. For women, the average weekly benefit was $15 higher than it would otherwise have been, while for men it was $26 higher. In addition, about 15% of Small Weeks participants qualified for the Family Supplement, and 75% of these were women.

Chart 6: Average Weekly Benefits



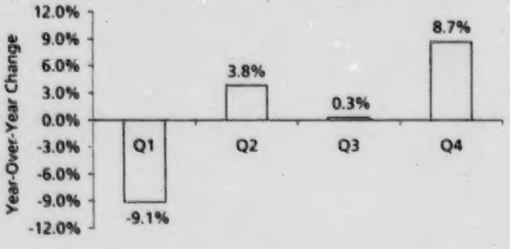
Evaluation of the project indicated that small weeks had a positive impact on labour force attachment.[14] Econometric results showed that, in the 31 Small Weeks regions under study in the November 1998 to August 2000 period, claimants who participated increased their total weeks of work in the 26 weeks prior to their job separations by 2.1 weeks for male claimants and 2.4 weeks for female claimants.[15]

II. REGULAR BENEFITS

1. Overview

In 2000/01, the number of regular claims established under EI increased slightly (0.8%) to 1.4 million and benefits paid to regular beneficiaries declined by 2.7% from $7.0 billion to $6.8 billion (please refer to Annex 2.4). Average weekly benefits increased 4.8% to $297 from $283 in 1999/00. The decline in benefits paid reflects the fact that most of the new claims were established during the final quarter of 2000/01 and, therefore, only a small proportion of the benefits associated with these claims had been paid in 2000/01. After a significant decline (-9.1%) in claims in the first quarter, new claims began to increase in the second and third quarters (3.8% and 0.3%, respectively) and then jumped substantially (8.7%) in the final quarter (please see Chart 7).

Chart 7: Year-Over-Year Change in Regular Claims



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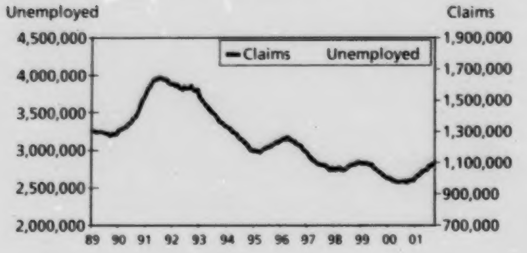
[14] *An Evaluation of the EI Pilot Project on Small Weeks, 1998-2001*, Evaluation and Data Development, Strategic Policy, Human Resources Development Canada, September 2001.

[15] As a result of these positive findings, the Government of Canada made the Small Weeks provisions a permanent and national feature of the program, effective November 18, 2001.

New claims increased significantly in Ontario (8.4%) with more modest increases in Prince Edward Island and Nova Scotia, at 3.0% and 2.6%, respectively. Claims remained stable in Newfoundland and Labrador and Quebec and decreased in all other provinces and territories in 2000/01, most substantially in the Northwest Territories (-17.3%) and Alberta (-12.2%). As can be seen in Chart 8, the level of EI claims tends to be a leading indicator with changes in total unemployment generally following.

Chart 8: Monthly Claims and Unemployment



As noted in Chapter 1, much of the increase in claims can be tied to the slowdown in manufacturing in the last quarter of the fiscal year. Claims in manufacturing industries increased by 15.3% across Canada and by 41.5% in Ontario over the reporting period with fourth quarter claims rising by 40.0% nationally and by 86.0% in Ontario.

Claims by women declined by 2.5%, while men's claims increased by 3.1% in 2000/01. The decline in women's claims reflects the stronger growth in the services-producing sector, where women have greater representation, compared to the goods-producing sector. In particular, claims in health and social services, where 81% of the workforce was female, fell by 11.2% and claims in retail trade, where 54% of workers were female, decreased by 8.3%. Men's claims showed more volatility across provinces and industrial sectors. Men were particularly affected by the slowdown in manufacturing. Overall, new claims by men employed in manufacturing rose by 19.7% nationally and by 51.1% in Ontario. Further, in the fourth quarter, new manufacturing claims for men in Ontario more than doubled over the previous year.

The strong labour market in 1999/00 and the first three-quarters of 2000/01 translated into longer durations of insured employment prior to making a claim for regular benefits. In 2000/01, there was an 8.1% increase in claims by individuals with long employment spells, while claims for individuals with medium and short employment spells decreased by 3.4% and 6.7%, respectively (please refer to Annex 2.5).[16]

These results are consistent with the increase in first-time and occasional claims and the decline in frequent claims. Claims made by first-time and occasional claimants in 2000/01 increased by 6.1% and 2.6%, respectively. Regular benefits claims by frequent claimants, on the other hand, declined by 4.8%. Nonetheless, the share of regular benefits paid to frequent regular claimants remained stable at 39.5%. As shown in Chart 9, non-seasonal frequent claims continued to fall more than seasonal frequent claims, as they have over each of the past four reporting periods. However, as a result of the economic slowdown at the end of the reporting period, the decline in non-seasonal claims was much less than in previous years. This is because non-seasonal claims are affected more by economic cycles than seasonal claims.

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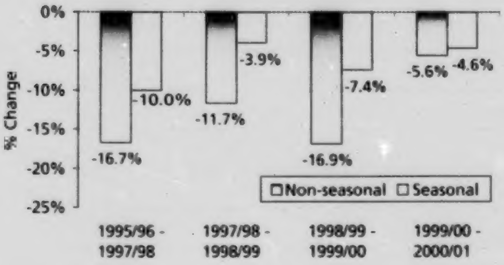
[16] Claims with short employment spells are claims that just meet the entrance requirement, or have up to two weeks above the minimum entrance requirement. Claims with medium employment spells are claims that have more than two weeks over the entrance requirement, but less than six months over the minimum entrance requirement. Claims with long employment spells are claims that have at least six months more than the minimum entrance requirement.

Chart 9: % Change in Claims by Regular Frequent Claims



Youth claims were unchanged in 2000/01, in contrast to the 9.4% decrease in claims in 1999/00. This can be explained by the economic slowdown at the end of the reporting period, which resulted in an increase of 7.3% in claims by youth in the fourth quarter over the previous year. Further, the increase in claims may have been accentuated by a higher proportion of youth that was able to qualify for benefits due to strong growth in full-time employment earlier in the year and in 1999/00.

Regular claims by older workers, aged 55 and over, increased by 4.7% in 2000/01. It is important to note the quarterly pattern of claims by older workers. Regular claims actually decreased by 7.0% in the first quarter and then increased by 9.0%, 3.9% and 14.5%, in the second, third and fourth quarters, respectively. It is significant to note that claims for older workers rose or remained stable for short-, medium- and long-term durations of insured employment, unlike other age groups who had increases in claims for long spells of insured employment but decreases in short and medium spells. Furthermore, the increase in claims for older workers with long durations of employment was 12.8%, compared to 8.1% for workers, overall. This is significant because older workers are likely to be unemployed for longer periods when they lose their job as they tend to be less mobile than younger workers.

2. Reform Elements

Hours-Based System and Coverage[17]

Under EI, both eligibility for benefits and entitlement are based on hours of work rather than weeks of work. An ongoing HRDC study using Canada Out-of-Employment Panel (COEP)[18] survey data has found that the switch to an hours-based system has led to a slight net increase in eligibility. Eligibility for men and those in the Atlantic region increased as they tend to work more than 35 hours per week, while eligibility for women and youth declined slightly. However, EI administrative data indicates that as a result of the switch from a weeks-based to an hours-based system and the change to first dollar coverage, nearly 400,000 more part-time workers were covered.

The **divisor rule**[19] results in higher weekly benefits for individuals who work more than their minimum entrance requirement. This provision was intended to encourage greater labour force attachment. Analysis indicates that, in general, people are working the additional two weeks required for full benefits. Chart 10 shows that the proportion of claimants whose benefits were reduced as a result of not finding the additional two weeks of work is small and has remained relatively stable.[20] This stability reflects both increased work effort and the favourable labour market that prevailed between 1997 and 2000, which provided greater opportunities for claimants to work longer.

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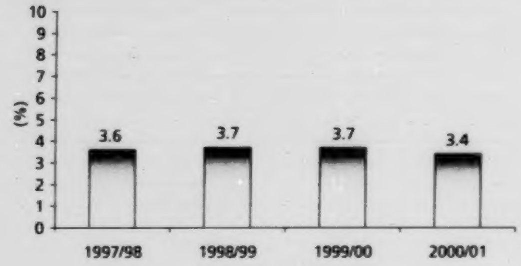
[17] Penalties and violations may affect a person's ability to qualify despite the fact that they have sufficient hours to qualify for benefits. This is because those persons who have penalties or violations charged against them must have more hours to qualify for benefits the next time that they file a claim. Our analysis did not cover this scenario.

[18] The Canada Out-of-Employment Panel (COEP) Survey is based on quarterly samples of 5,000-9,000 individuals who have job separations. The COEP Survey is specifically designed to provide an additional source of information for understanding EI impacts. The survey is conducted on behalf of HRDC by Statistics Canada and provides detailed information on individuals' employment history, job search activities and outcomes, training, receipt of UI/EI benefits, and household incomes, financial assets, and debts.

[19] Please see Annex 1 in the 1997, 1998, 1999 or 2000 Monitoring and Assessment reports for a description of the hours-based system, the divisor rule, and other elements of the reform.

Chart 10: Proportion of Regular Claims affected by the Divisor Rule



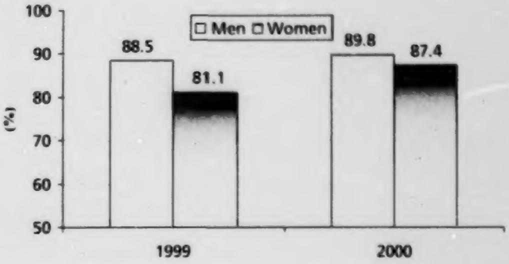
While the increase in workforce attachment was greatest in Atlantic Canada, the divisor still has a greater impact on claimants in that region. In the Atlantic region, 5.8% of claimants were affected by the divisor.

In recent years, there have been questions raised about **EI coverage** and about how to measure the degree of support EI provides to unemployed Canadians. The monitoring and assessment process is continuing to look into this important subject from a number of approaches.

One method of measuring coverage is the beneficiary to unemployed (B/U) ratio. The B/U ratio is a broad measure, comparing the number of people on EI regular benefits with the total number of unemployed people at any given time. Analysis indicates that the B/U ratio was in decline for most of the decade leading up to EI reform in 1996 and 1997. The B/U ratio was about 45% in 2000/01, unchanged from 1999/00. While the B/U ratio has the advantage of simplicity, it also includes unemployed people for whom EI regular benefits are not designed. For example, it includes individuals who have never worked, those who have not worked in the past 12 months or individuals who voluntarily quit their job, and individuals who were formerly self-employed.

To focus specifically on the degree to which EI provides coverage to the target population, HRDC and Statistics Canada developed the Employment Insurance Coverage Survey (EICS). Results from the EICS indicated that 83.2% of those for whom the program was designed were eligible to receive benefits in 2000. This represents an increase of 2.8 percentage points over 1999. This is due to increased eligibility for unemployed adult women, which rose by 6.3 percentage points over 1999, compared to a 1.3 percentage point increase for adult men. Consequently, differences in EI eligibility between unemployed adult men and women in 2000 have declined significantly, from 7.4 percentage points in 1999, to 2.4 percentage points (please see Chart 11).

Chart 11: Coverage of the Unemployed



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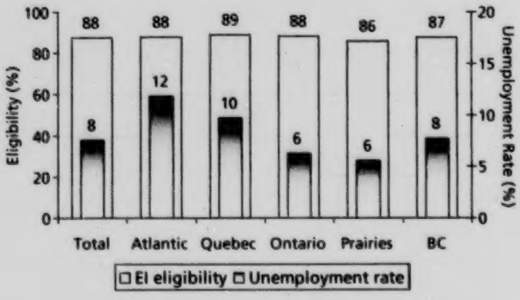
[20] Note that the percentage of claims affected by the divisor varies from the analysis in the *2000 Employment Insurance Monitoring and Assessment Report*. This is due to differences between the COEP data used in last year's report and EI administrative data. COEP Survey data and administrative data numbers often differ because the COEP uses a sample of between 5,000 and 9,000 individuals in 12 cohorts and relies on self-reporting, whereas EI administrative data uses a 10% sample of all EI claims and does not rely on self-reporting. Due to missing cohorts, COEP data was not available for 2000/01. Therefore, the analysis used administrative data.

In an effort to better understand the issue of coverage, additional research was undertaken by HRDC using data from Statistics Canada's Survey of Labour and Income Dynamics (SLID).[21] The research looks at how effectively EI provides security to employed people (i.e., how many employed individuals would be eligible if they were to lose their job?). To address this question, simulations were performed using SLID. Estimates for December 1998 indicate that 88% of all paid workers would have been eligible for regular benefits if they had lost their job at that point in time.

Eligibility was high for both men and women. Among workers in paid employment, 91% of men and 84% of women would have qualified for EI. The difference is likely due to differences in labour market patterns given that eligibility among women working full time (96%) was consistent with men employed full time (97%).

Additionally, analysis on the coverage of the employed population, using SLID data, shows that despite substantial variations in regional unemployment rates, EI eligibility would have been similar in all regions of the country in December 1998 (see Chart 12). This suggests that the variable entrance requirements are effective in adapting to variations in regional labour markets.

Chart 12: EI Eligibility by Region



Concern has also been raised about the impact of the new entrant and re-entrant rule. One of the objectives of EI reform was to encourage stronger labour force attachment, particularly among youth. To this end, people who enter the labour market for the first time (new entrants) and those who had limited work experience in the last two years (re-entrants) need 910 hours to qualify for EI instead of the variable entrance requirement for the region. These rules were designed to ensure that workers, especially young people, establish a more significant attachment to the labour force before collecting EI benefits. Previous Monitoring and Assessment reports have found that this measure was working as expected by encouraging stronger labour force attachment, particularly for youth.

A recent HRDC study using COEP data indicates that new entrants and re-entrants are 13% less likely to make a claim. This number has not changed since EI reform. Further, the study indicates that a significant portion of new entrants and re-entrants are working more hours in order to qualify for benefits, with the proportion working between 910 and 1,050 hours increasing from 37.6% pre-reform to 55.7% post-reform. Another COEP study estimates that as a result of this increased work effort, only 2% of individuals who would have had enough hours to qualify in their region lost their eligibility due to the new entrant and re-entrant rule.

The SLID data also showed that new entrants and re-entrants to the labour force were less likely to qualify (52%). However, new entrants and re-entrants were also more likely to be younger, part-time workers, many of whom were concurrently pursuing an education. Youth were less likely to qualify for EI in 1998 (63%) than workers 25 years and older (92%) primarily because 45% of youth paid workers were new entrants or re-entrants compared to only 12% of adult workers.[22]

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[21] Canada's Survey of Labour and Income Dynamics (SLID) contains detailed longitudinal information on the labour force history of a sample of 30,000 Canadians.

It should be noted that EI coverage extends beyond income benefits. As will be discussed in Chapter 3, Part II of the EI program also assists workers through the provision of Employment Benefits and Support Measures (EBSMs). Coverage under Part II includes former claimants and non-insured individuals, as well as active claimants.

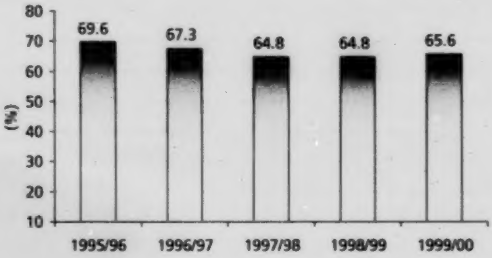
Entitlement and Duration

This section reviews the number of weeks of entitlements versus the actual number of weeks of entitlement used. EI reform reduced the maximum benefit period from 50 to 45 weeks, but this change only affects claimants that have long periods of labour market attachment in high unemployment regions. The hours-based system was expected to increase entitlement for those who work more than 35 hours a week, because the additional hours worked were not counted under the previous weeks-based system. An HRDC study using COEP survey data from 1995/96 and 1997/98 found that the average entitlement period remained at about the same level before and after the reform, though the impact varied among groups. Reflecting differing gender-related employment trends, entitlement dropped by 0.4 weeks for women but increased by 0.2 weeks for men.

Average entitlement remained stable between 1999/00 and 2000/01. This can be explained by the fact that entitlement is based on both the number of hours of insurable employment and the regional rate of unemployment. As noted in Chapter 1, the average unemployment rate fell by only 0.4 of a percentage point in 2000/01 compared to 0.8 of a percentage point in 1999/00.

Given that some claims extend over two fiscal years, the most recent data available with respect to the amount of time spent on claim, covers claims established in 1999/00. Regular claimants who established claims in 1999/00 received an average of 20.6 weeks of EI benefits, down almost a half-week over 1998/99, the fourth consecutive decline since reform. Chart 13 shows that the proportion of entitlement used has declined slightly since EI reform. This reduction in time spent on claim reflects the strong labour market conditions that prevailed in 1999 and 2000. It is important to note that EI administrative data shows that regular benefits claimants used only about two-thirds of their entitlement, on average, in 1999/00. Further, in the communities section, discussed later in the report, it is noted that, even in communities with high unemployment, claimants generally use less than 70% of their entitlement, on average.

Chart 13: Proportion of Entitlement Used by Regular Claimants



Duration of benefits was longest for claimants in Newfoundland and Labrador (27.7 weeks) and Prince Edward Island (25.4 weeks), reflecting the high proportion of seasonal workers in these provinces and longer entitlement periods due to higher rates of unemployment. Average duration was lowest in Alberta (18.3 weeks) and Ontario (18.5 weeks) reflecting strong labour markets in 1999/00.

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[22] It is important to note that since October 1, 2000, re-entrants who had taken an extended leave from the labour force to care for young children are no longer considered re-entrants and qualify for EI with the same number of hours as other claimants in their region.

Reductions in the average number of weeks paid occurred in all provinces and territories with the exception of the Northwest Territories (+0.4 weeks) and Prince Edward Island (+0.1 weeks). The largest declines were in New Brunswick (-1.3 weeks), Alberta (-1.1 weeks), Quebec (-0.7 weeks) and Saskatchewan (-0.6 weeks).

The average weeks paid remained relatively stable for both women (21.1 weeks) and men (20.2 weeks), down 0.6 and 0.4 weeks, respectively. The average duration for youth was 20.0 weeks and 21.9 weeks for older workers.

During EI reform, concerns were expressed that the legislative changes could result in higher take-up rates for social assistance. In particular, there were concerns that the reduction in the maximum period of entitlement from 50 to 45 weeks and the changes to the eligibility criteria could mean that more people would move onto social assistance. Although no new COEP data is available, previous analysis indicated that only about 12.4% of those claimants who exhausted their claims, moved to social assistance. This is less than before EI reform. Further, the proportion of EI claimants exhausting their benefits declined substantially following reform and has remained relatively stable in the ensuing years. Since EI reform, the number of claimants exhausting their benefits has declined by 33.6% from 665,710 in 1995/96 to 442,210 in 1999/00. Even more dramatic has been the 42.6% decrease in frequent EI claimants exhausting their benefits over the same time period. Consequently, given that coverage rates increased, exhaustion rates decreased, and the proportion of entitlement used remained relatively stable in 2000/01, there is no reason to believe that take-up rates for social assistance have increased.

Family Supplement

About 10.0% of all regular beneficiaries or 135,430 regular benefits claimants received the Family Supplement in 2000/01. This was down slightly from 10.7% in 1999/00. This decline is consistent with an increase in family earnings due to the strong labour market of the past few years.

Total Family Supplement payments declined 5.9% to $116.5 million, reflecting increased benefit levels. Although women only accounted for 39.4% of all regular claims, 61.4% of Family Supplement payments were made to women. The average weekly top-up was $44 per week, unchanged from last year. However, average weekly benefits for regular claimants receiving the Family Supplement increased by about $4 to $266, following the overall trend for regular benefits.

Intensity Rule

As noted earlier, the intensity rule was eliminated on October 1, 2000. Therefore, the results below reflect the impacts of the intensity provision for a period of only six months.

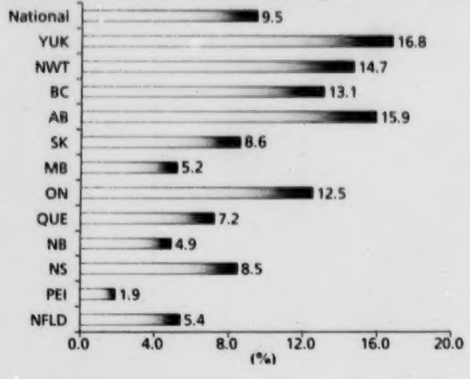
Comparing the first half of 2000/01 to the first half of 1999/00, the number of regular claims affected by the intensity rule declined 1.0% to 191,670 (please refer to Annex 2.16). This represents about 35% of regular claims, roughly the same proportion as in 1999/00. Women and men were affected equally in 2000/01 (49.2% and 50.8%, respectively), whereas men had been more affected (53.6%) than women (46.4%) in 1999/00.

Benefit Repayment Provisions (Clawback)

As was noted earlier, the benefit repayment provisions were designed to ensure claimants with high incomes repay some of their benefits.

Between 1998 and 1999 the number of regular claimants affected by the clawback increased by 24.4% to 111,528, while the amount repaid by them grew by 49.1% to just over $140.1 million (see Chart 14). The larger increase in amount repaid was indicative of a combination of two factors: the previous program usage for regular benefits, which affected both the repayment rate and the repayment income threshold, and increases in income, which affected the amount subject to repayment. About 92% of claimants repaying regular benefits were men and their repayments accounted for over 94% of all regular benefits repaid.

Chart 14: Proportion of Regular Claims with Benefit Repayment,1999



Work While on Claim

Under EI, regular beneficiaries are allowed to earn up to $50 a week or 25% of weekly benefits, whichever is higher, with no reduction in EI benefits. Any earnings beyond this level are deducted dollar-for-dollar from benefits. The aim of this provision is to encourage claimants to maintain their labour force attachment and accept work without adversely affecting their EI claim. In 1999/00,[23] a total of 744,090 or 53.9% of regular claimants reported working while they were on claim (please refer to Annex 2.14). This includes claimants who worked while on claim and still received some benefits for those weeks, as well as claimants who earned enough to reduce their benefits to zero for some weeks.

As reported in previous Monitoring and Assessment reports, there has been a steady decline in the proportion of regular claimants reporting work while on claim, since EI reform. This trend continued in 1999/00 as the proportion who work while on claim decreased from 56.2% to 53.9% compared to the previous year.

In order to determine whether the design of the provision was creating disincentives to work, analysis of work patterns was undertaken. Results indicated that for claimants who work while on claim, earnings from a week of work affect benefits received depending on how much is earned in that week:

- If the claimant earned less than the maximum allowable earnings, then these earnings act as a top-up to the benefits paid as there is no reduction in benefits paid. Weeks with earnings below the maximum allowable represent 6% of all EI weeks worked.
- In cases where claimants work for only part of a week and earn more than the maximum allowabie earnings, benefits are reduced dollar-for-dollar for each dollar earned over the allowable earnings amount. As some benefits are paid for the week, it is counted as a week of entitlement used. This can create a situation where there is little financial incentive for claimants to accept work for only part of the week. This work pattern represents 26% of all EI weeks worked.

In fact, analysis showed that first-time and occasional claimants were much more willing to accept a partial week of work than frequent claimants. Of the EI weeks worked by first-time claimants, 41% were partial weeks, compared to 31% for occasional claimants and 18% for frequent claimants.

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[23] Analysis of the work while on claim provision is lagged by one year in order to ensure that claims are complete.

- If the claimant works a "full week" and earns enough to completely offset EI benefits, benefits are reduced to zero. As no benefits are received, this week does not count as a week of EI entitlement used and the length of the claim is, in effect, extended by one week. Weeks with benefits reduced to zero represent 68% of all EI weeks worked.

This suggests that the design of the provision may be flawed as claimants appear to be hesitant to work while on claim unless they can reduce their benefits to zero and keep that week of entitlement for later use.

The design of the work while on claim provision will be further analyzed.

III. FISHING BENEFITS

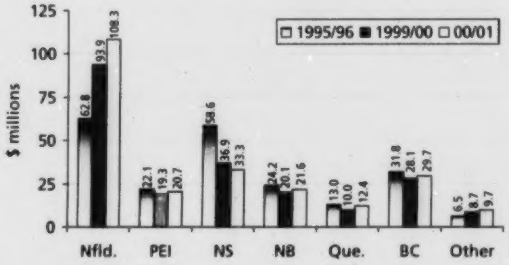
1. Overview

Given that the employment circumstances of fishers emulate an employer/employee relationship, EI extends benefits to self-employed fishers. In 2000/01, fishing claims increased by 11.0% over the previous year, from 25,438 to 28,229 (please refer to Annex 2.6). Claims by men increased by 8.8%, from 21,899 to 23,828, while claims by women increased 24.4%, from 3,539 to 4,401, suggesting a continuous trend of increased participation by women within the industry. Claims increased substantially in Prince Edward Island (18.5%), Newfoundland and Labrador (13.2%) and British Columbia (7.5%), with a slight increase in New Brunswick (2.2%) and remained stable in Nova Scotia (+0.1%).[24]

Fishers received $235.6 million in EI fishing benefits in 2000/01, an increase of 8.6% from 1999/00. This may be partly a result of a net increase (5.5%) in the value of resources harvested,[25] as fishing benefits paid are tied to the value of resources harvested. The elimination of the intensity rule may also have contributed to the increase in fishing benefits paid.

Chart 15 shows that total fishing benefits paid increased in all of the major fish-producing provinces except Nova Scotia (-9.8%). The most significant increases in fishing benefits paid occurred in Quebec (24.3%) and Newfoundland and Labrador (15.3%). Average weekly benefits increased by 3.0% (or $11) to $377 in 2000/01. It should be noted that this is about 27% higher than average weekly regular benefits of $297. This reflects the fact that fishers generally earn their annual income over a relatively short period of time and therefore may have higher weekly earnings than other workers. Slight increases were observed in all provinces with major fisheries except British Columbia, where average weekly benefits increased by a much larger amount (8.6%).

Chart 15: Fishing Benefits Paid



In 2000/01, frequent claimants made up 77.1% of fishing claims, up from 74.7% in 1999/00. Frequent claims increased by 14.6% in 2000/01, following a 10.9% increase in 1999/00.

At the provincial level, substantial increases in frequent claimants were observed in Quebec (49.2%), Newfoundland and Labrador (26.4%)

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[24] Although fishing benefits increased by over 50% in Quebec, the absolute number of fishing claims is relatively small compared to the other fish producing provinces.

[25] Please note that while some species increased in value, others declined. However, overall there was a net increase in value of fish stocks.

and Prince Edward Island (16.8%). Small increases were also noted in New Brunswick (3.0%) and British Columbia (3.2%). Nova Scotia was the only major fish-producing province to record a decline in frequent claims (-1.9%).

2. Reform Elements

Earnings-Based System and Qualifying Period

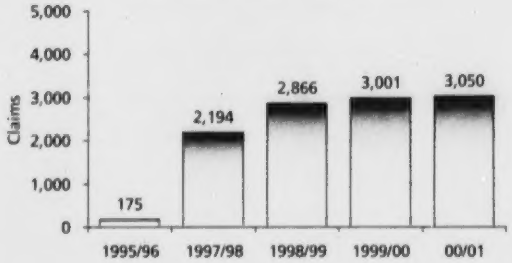
One of the most fundamental EI changes for fishers involved eligibility based on insured earnings instead of weeks of work. Under the earnings-based system, fishers can qualify for benefits with a minimum of between $2,500 and $4,199 in insured earnings from fishing. For new entrants and re-entrants to the labour force, a minimum of $5,500 of insured fishing earnings is required to qualify. The requirement is lower for those claiming special benefits.

Analysis indicates that the change to eligibility based on dollars of insured earnings did not limit access to fishing benefits. In 2000/01, 97.6% of claimants qualified with more than $5,000 in insured earnings, essentially unchanged from 97.5% in 1999/00. Given that fishers' earnings average well above the variable entrance requirement, fishers are qualifying for benefits without difficulty.

It is also important to note that, under EI, the fixed season and qualifying periods were expanded by eight weeks in 1996. The combination of this change with the relatively low earnings requirement has made it easier for fishers to qualify for fishing benefits in two consecutive seasons. They are able to fish in the winter months and start the summer benefit period earlier, and then fish again in the extended summer fishing season to re-qualify for benefits. Good seasonal conditions and harvests made over short periods allow fishers to establish multiple claims.

As shown in Chart 16, 3,050 fishers (10.8% of fishing claims) claimed fishing benefits in two consecutive seasons (not necessarily within the same fiscal year), up 1.6% from the previous year. The proportion of multiple claims to all fishing claims is significantly higher in Quebec (28.8%) and New Brunswick (21.5%).

Chart 16: Claims in Consecutive Seasons



Family Supplement

Ten percent of fishing claimants (or 2,819 fishers) received the Family Supplement. Total Family Supplement payments to fishers declined by 34.8% to just under $1.4 million and the average weekly benefits for fishers receiving the Family Supplement declined slightly (-$3) to $372. It should be noted that this average was slightly below the average weekly benefit of $377 paid to all fishers, but 39.8% higher than the average weekly benefit for regular claimants receiving the Family Supplement ($266).

Intensity Rule

Given that most fishing claims occur in the third quarter of the fiscal year and the intensity rule was eliminated before these claims were filed, it is not possible to do an accurate year-over-year comparison of fishing claims affected by the intensity rule in 2000/01.

It is important to note that the removal of the intensity rule is expected to have a noticeable impact on fishing claims given that 82.9% of all fishers had their weekly benefits reduced in 1999/00, the last full year that the intensity rule was applied.

Benefit Repayment Provision (Clawback)

In 1999, both the number of fishers affected by the clawback and the amount that they repaid increased substantially, by 54.9% and 81.2%, respectively. In each of the previous two years, a higher number of fishers were affected because the proportion of those with a history of repeat use of EI increased. The large increase in the amount of benefits repaid is due in part to the lowering of the income threshold when a claimant makes repeat use of the program, as well as increases in the incomes of fishers.

IV. SPECIAL BENEFITS

1. Overview

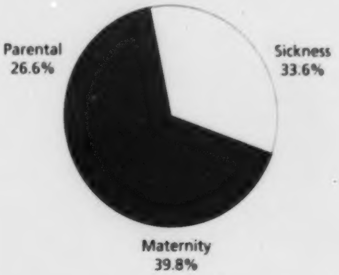
EI provides three types of special benefits: maternity benefits, payable to biological mothers for work missed as a result of pregnancy and childbirth; parental benefits, payable to both biological and adoptive parents due to a separation from work to care for a newborn or an adopted child; and sickness benefits, payable to claimants who are too ill to work.

Effective December 31, 2000, changes were made to enhance the duration, accessibility and flexibility of parental benefits. As a result, the number of hours of insurable employment required to qualify for all special benefits was reduced from 700 to 600 hours.

In 2000/01, there were 425,550 new special benefits claims, an increase of 6.0% from 1999/00 (please refer to Annex 2.8). As in past years, women continued to account for about three-quarters (72.6%) of all special benefits claims. About 12% of claims for special benefits were made by youth, which is about the same proportion as in 1999/00. The average number of weeks for which special benefits were paid increased, averaging 19.7 weeks compared to 19.4 weeks in 1999/00.

Total special benefits payments increased by 5.2% to $1.8 billion. About 19.7% of all total income benefits paid were special benefits, compared to 13.6% paid before reform. Average weekly benefits increased by 2.1% to $281 (please refer to Annexes 2.9 through 2.12 for details on special benefits). As shown in Chart 17, 39.8% of special benefits paid were maternity benefits, 26.6% were parental benefits, and 33.6% were sickness benefits, about the same distribution as last year.

Chart 17: Special Benefits Paid by Type



Maternity and Parental Benefits

Claims for maternity benefits decreased marginally in 2000/01, declining by 0.1% from 175,800 to 175,620. Total payments for maternity benefits were $727.8 million, up 0.7% from 1999/00. The average weekly benefit level for all maternity claims was $287, an increase of 1.2% from 1999/00.

As noted above, effective December 31, 2000, changes were made to parental benefits that affected the duration and flexibility of the benefits. The duration of parental benefits increased, from 10 weeks to 35 weeks, while flexibility was increased by allowing parents sharing parental benefits to only serve one two-week waiting period. In addition, parents can earn the greater of $50 or 25 percent of their weekly parental benefits without a deduction. It should be noted, however, that since these changes only affect the last three months of the current reporting period, it is still too early to assess the impacts of these changes in terms of take-up and duration of use.

Claims for biological and adoptive parental benefits increased by 5.2%, from 170,620 to 179,560. This is the first year that parental claims have exceeded maternity claims. Of particular note is the significant increase in biological parental benefits claims by men. In 2000/01, men's claims for biological parental benefits increased by 44% from 9,030 to 13,000. It is important to note that in the fourth quarter, men's claims for biological parental benefits increased by 62.6%, in line with the introduction of the new parental leave provisions. There was no change in adoptive parental benefit claims for men.

Total payments for parental benefits were $486.7 million, up 3.2% from 1999/00. The average weekly benefit for biological parents was $297, an increase of 0.9%. Average weekly benefits for adoptive parents declined 2.7% to $343. It should be noted that some employers supplement EI maternity and/or parental benefits by offering a top-up.

Almost all claimants collecting (biological) parental benefits were women (92.7%), and 87.3% of those in receipt of (adoptive) parental benefits were women. Recent analysis using COEP data indicates that 90% of women who left their employment for maternity leave had enough hours to qualify for benefits. This was unchanged with the move from a weeks-based to an hours-based system. Administrative results also indicated that parents were using close to their full entitlement of maternity and parental leave. The average number of weeks for which maternity benefits were paid was 14.5 weeks, or 96.7% of their entitlement (15 weeks). The average number of weeks for which parental (biological) benefits were paid was 9.8 weeks. Adoptive parents in receipt of the parental benefit were on claim for an average of 12.2 weeks.

While the increased use of parental benefits was a positive indicator of the success of the new provisions, it must be noted that 2000/01 was a transition period from the previous parental benefits regime to the new longer and more readily accessible regime. As a result, it is too early to draw any firm conclusions about the impact of the changes and whether or not they will be sustainable.

Sickness Benefits

After increasing by 6.0% in the previous reporting period, the number of sickness claims once again increased by 8.4% to 252,670. Women accounted for a slightly smaller share of sickness claims with 58.9% versus 60.0% last year. Claims by men increased 11.3% to 103,860 and claims by women increased 6.4% to 148,810.

Total payments for sickness benefits increased 13.1% to $615.4 million. The average weekly benefit level for sickness claims was $268, an increase of 2.9% over 1999/00. The average number of weeks for which sickness benefits were paid was 9.3 weeks, or 62% of entitlement. At the provincial level, claims increased in all provinces, with the largest increases in Manitoba (15.8%), Nova Scotia (14.2%) and Newfoundland and Labrador (13.6%).

In a continuous effort to monitor the use of sickness benefits, an analysis using EI administrative data and historical labour market trends was undertaken. Results indicated that two-thirds of the increase in sickness claims since EI reform was attributable to "pure" sickness claims: that is, claims that are not combined with regular or maternity/parental benefits. This result suggests that the growth in sickness claims is attributable to underlying trends in the labour market. It appears that most of the growth in pure claims since EI reform has been the result of a combination of growth in paid employment, an aging population and year-to-year volatility in claims.[26]

The remaining one-third of the increase was attributable to rising mixed claims, or sickness benefits claims in conjunction with either regular or maternity/parental benefits. The primary factors behind the increase in mixed regular claims appear to be demographic changes in the EI-eligible population,[27] an increase in the use of short-term casual weeks of sickness benefits[28] and an increase in the number of hours worked due to a strong labour market.[29]

Mixed maternity/parental claims had increased substantially in recent years, but slowed during this reporting period. It is possible that the decline in 2000/01 was due to parents planning the birth of their children in order to qualify for the enhanced parental benefit regime. Given that the new special benefits cap has been set to 50 weeks, up from 30 weeks, it is unclear whether this upward trend in mixed sickness and parental benefits will continue.

2. Impact of Reform Elements

Hours-Based System

As in past years, the vast majority of special benefits claimants had a strong labour force attachment and most claimants had little difficulty in qualifying for benefits. In addition, the lower entrance requirements effective for December 31, 2000, meant that 2,060 women qualified for maternity benefits that otherwise would not have under the 700-hour requirement. Similarly, claims for parental benefits increased by 1,880 and claims for sickness benefits rose by 1,600 as a result of the change to the entrance requirements.

Family Supplement

About 22% of maternity and parental benefit claimants and 13% of sickness benefit claimants received the Family Supplement in 2000/01. Receipt of the Family Supplement increased by 3.5%, 10.0% and 6.9% for maternity, parental (biological) and sickness claimants, respectively. The average weekly top-up for special benefit claimants increased 5.9%, from $39 to $42. About $41.6 million in Family Supplement benefits were paid to special claimants, an increase of 12.1% compared to the $37.1 million paid in 1999/00. Family Supplement benefits paid to maternity claimants increased by 8.2% and those paid to parental (biological) claimants increased by 10.4%, while those paid to sickness claimants increased by 17.5%.

The Family Supplement appears to be helping low-income families claiming special benefits to stay on claim longer. The average number of weeks for which special benefits were paid to low income families was 23.0 weeks in 2000/01, compared to 19.0 weeks for claimants not receiving the top-up. This indicates that, at low benefit rates, the Family Supplement top-up has a more pronounced impact on the length of time that an individual remains on claim.

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[26] This volatility may be related to the industries where paid employment growth occurs. When growth in paid employment occurs in industries that do not tend to provide comprehensive employment benefits, such as many of those in the services-producing sector, claims for sickness benefits will increase.

[27] Some provisions introduced in the 1996 reform impacted the demography of the EI-eligible population. For instance, the new entrant and re-entrant requirements made it more difficult for youth to qualify for regular benefits. Also, the switch to an hours-based system increased eligibility for older, part-time workers. As a result, the average age of the EI-eligible population in the case of mixed claims increased.

[28] Casual weeks of sickness benefits refer to sickness benefits claimed within an ongoing claim that do not exceed four weeks. In these cases, a medical certificate is not required.

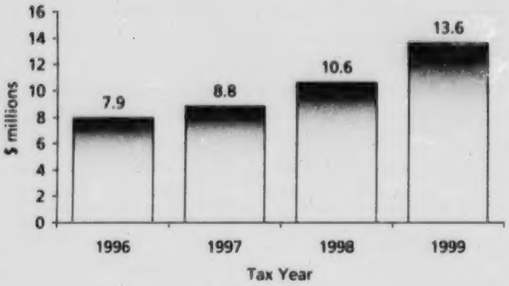
[29] Depending on the variable entrance requirements in a particular region, the number of hours required to qualify for special benefits may be higher than the number of hours required to qualify for regular benefits. Consequently, claimants who are eligible to receive regular income benefits may not have enough hours to qualify for sickness benefits. Therefore, when the economy and labour market are strong, claimants increase their hours of work and, as a result, they may become eligible for sickness benefits.

Benefit Repayment Provisions (Clawback)[30]

The 1999 tax year is the last year that special benefits recipients had to repay benefits under the benefit repayment provision. Under Bill C-2, those receiving special benefits are exempt from the benefit repayment provisions, effective in the 2000 tax year.

In 1999, the number of individuals who repaid special benefits increased by 27.5% to 13,627. As shown in Chart 18, the total amount repaid grew proportionally by 28.7% to $13.6 million. About 1% of all special benefits were repaid by 3.2% of special benefits recipients in 1999. About 66% of special benefits claimants who repaid benefits in 1999 were women.

Chart 18: Benefit Repayment, Special Claimants



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[30] Prior to the passage of Bill C-2, special benefits claimants with a net income above $48,750 were required to repay 30% of their net income above the threshold or 30% of benefits, whichever is less.

Chapter 3 – Employment Benefits and Support Measures

This chapter provides information on the Employment Benefits and Support Measures (EBSMs) and, in transfer provinces/territories, similar programs and services delivered through the Labour Market Development Agreements (LMDAs). It also provides information on EBSMs in Ontario where no LMDA has been signed.

LMDAs reflect offers made to provinces/territories with respect to EBSM delivery. These agreements exist in two forms: co-managed agreements and transfer agreements.[1] In those jurisdictions with co-managed agreements, each provincial/territorial government has assumed joint responsibility for the planning and evaluation of active employment measures, while HRDC continues to deliver programs and services through its service delivery network. In those jurisdictions with transfer agreements, provincial/territorial governments have assumed full responsibility for the design and delivery of active employment measures funded through the EI program. Please refer to Annex 3.1 for an overview of the LMDAs.[2]

I. OVERVIEW[3]

1. Labour Market Context

As outlined in Chapter 1, strong employment growth continued in 2000/01, although at a slower rate than in 1999/00.

2. Methodology

HRDC has simplified its method of producing data for 2000/01 by using only those data provided by the province, territory, or HRDC's own client system. In previous years, HRDC's pay system was also used to capture client information. This refinement was necessary to strengthen the principle of accountability and enhance data integrity. This also simplifies the reconciliation of data between HRDC and transfer provinces/territories where provinces/territories use their own systems for client information.

In general, changes introduced in the present report have had a slight impact on the number of interventions (-4.6%) and clients served (-4.2%). Data suggest that had changes in methodology not been implemented for 2000/01, intervention and client counts would have remained approximately the same as in 1999/00. Tables 1 to 3, in the text, present data using the new methodology and how it would have appeared had no change been made.

To better understand this chapter, the reader should also be aware that differences in service delivery and labour market conditions exist across the country. As a result, comparisons across jurisdictions are difficult.

3. EBSMs

EBSMs is the federal terminology for the active benefits and measures established under Part II of the *Employment Insurance (EI) Act*. In provinces/territories with transfer agreements, the key features of the programs remain similar to the federal EBSMs, with the details of the delivery and design of the programs being determined by the province/territory responsible (see section 63 of the EI Act). Partners, such as Aboriginal organizations also deliver EBSMs as part of pan-Canadian activities.[4]

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[1] In Nova Scotia the agreement is known as a framework for a Strategic Partnership and resembles a co-managed agreement.

[2] For more information on LMDAs, please refer to the *Employment Insurance 2000 Monitoring and Assessment Report*, at http://www.hrdc-drhc.gc.ca/ae-ei/loi-law/eimar.shtml.

[3] Numbers quoted throughout this report may differ from those published in HRDC's Departmental Performance Report (DPR). The DPR is based on information available at the end of August and does not necessarily reflect year-end figures.

There are four Employment Benefits[5] (Targeted Wage Subsidies, Self-Employment, Job Creation Partnerships[6] and Skills Development) and three Support Measures (Employment Assistance Services (EAS), Labour Market Partnerships and Research and Innovation). Employment Benefits are generally considered to be interventions of a longer duration (long-term interventions), while the EAS Support Measure (which includes Employment Assistance Services Interventions, Employment Group Services (EGS) and Individual Counselling)[7] and the Employment Benefit Supplément de retour au travail in Quebec are shorter in duration (short-term interventions). Please refer to Annex 3.2 for a description of EBSMs.

The remaining Support Measures (Labour Market Partnerships and Research and Innovation) are mechanisms through which more general assistance can be provided to groups. They are not directly available to clients. Labour Market Partnerships (LMP) may be used to assist employers, communities or employer/employee organizations (e.g., unions or sector councils), in the development and implementation of strategies for dealing with human resource requirements, such as creating more career development opportunities for youth. In this example, no direct assistance is provided to youth, but the project is designed to create more opportunities for youth in general. Research and Innovation projects help identify better ways of helping clients to obtain and keep employment. Such projects may involve activities related to labour market studies for a specific labour market concern, such as emerging occupations.

4. Eligibility[8]

To be eligible for Employment Benefits funded through the EI Account, individuals must be unemployed and have a current EI claim (active EI client) or a claim that ended in the preceding three years (former EI client). Those who began a maternity or parental claim in the preceding five years, after which they left the labour market to care for newborn or newly adopted children, are also considered former EI clients and are eligible for Employment Benefits upon re-entry into the labour market. Support Measures, on the other hand, are available to all Canadians in need of employment assistance. Clients who do not meet the criteria for Employment Benefits are considered non-insured (non-EI clients) and are eligible only for EAS interventions, Employment Group Services and Individual Counselling.

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[4] Pan-Canadian activities are activities that are national or at least multi-jurisdictional in scope or purpose. They may also be used to respond to special labour market situations that extend to, or affect, the country as a whole.

[5] Targeted Earning Supplement Benefit was not used in 2000/01 with the exception of the Supplément de retour au travail in Quebec.

[6] Job Creation Partnerships are no longer used in Quebec.

[7] The majority of these interventions are delivered under the EAS Support Measure, but may also be delivered through Human Resource Centres of Canada or provincial points of service. For accountability purposes these activities are considered distinct activities and are tracked and reported separately under the heading short-term interventions (see Annex 3.4).

[8] Eligibility is calculated using an administrative process wherein the date a client requests assistance is equated to the creation date of the return to work action plan.

5. Clients

In 2000/01, 457,839 clients participated in EBSMs. On average, clients participated in 1.35 interventions, which is consistent with that reported in 1999/00 (please refer to Annexes 3.3 and 3.4). Had the 1999/00 methodology used for counting clients been used, the number of clients served in 2000/01 would have remained stable (-0.7%) at about 480,000. This stability in clients served, in spite of the weaker performance of the economy in the fourth quarter and an increase in EI claims, stems from two factors: (1) there is a lag time between when a client becomes unemployed and requests assistance, and (2) not all clients seek assistance under Part II.

EBSM participants with active EI claims accounted for 62.5% of clients served in 2000/01, 17.4% were former EI clients, and 20.1% were non-insured (please refer to Table 1 and Annex 3.4). The proportion of clients that were active EI clients decreased by 1.3 percentage points. Non-EI clients remained stable (-0.8 percentage points), while former EI clients increased by 2.2 percentage points from 1999/00. As indicated in Table 1, these percentages are slightly different using the old methodology. However, movements in data direction are unaffected.

Table 1

Clients served by client type

	1999/00	2000/01	2000/01*
Active EI Clients	307,283 (63.8%)	303,069 (63.4%)	286,184 (62.5%)
Former EI Clients	73,378 (15.2%)	82,596 (17.3%)	79,747 (17.4%)
Non EI clients	100,621 (20.9%)	92,231 (19.3%)	91,908 (20.1%)
Total**	**481,282 (100%)**	**477,896 (100%)**	**457,839 (100%)**

Source: Results Data Set
*Data arrived at using new methodology.
**Rounding may result in totals not equalling 100%.

The increase in the proportion of former EI clients may be partially the result of positive labour market conditions in the first three quarters of 2000/01. This allowed for a greater focus on those clients who were less job ready. It should be noted that non-insured clients are eligible for short-term Support Measures, but not Employment Benefits. However, non-insured clients may have access to other programs offered by HRDC or the provinces/territories that are not funded through EI Part II.

6. Interventions[9]

Throughout this chapter the terminology of short-term and long-term interventions is used in an effort to simplify the EBSMs for reporting purposes. This terminology refers to the duration of a type of benefit or measure. In general, this intervention classification is applicable, but in some instances a long-term intervention may be short in duration or a short-term intervention may be long.

In 2000/01 there were 619,402 interventions started. As was the case in past years, short-term interventions accounted for the majority (68.5%) of the new interventions in 2000/01. Long-term interventions accounted for about 29.5% of new interventions. Pan-Canadian activities accounted for the remaining 2.0% of new start activity (please refer to Table 2 and Annex 3.5). Data arrived at using the 1999/00 methodology indicate that the proportion of interventions accounted for by short-term (65.3%), long-term (32.6%), and Pan-Canadian (2.1%) activities would have remained relatively stable.

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[9] Interventions refer to participants that started in a benefit or measure between April 1, 2000 and March 31, 2001. Note that interventions are not representative of the number of clients served. For example, one client may have two different interventions, thus resulting in a client count of one but an intervention count of two.

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Table 2

EBSM Interventions

	1999/00	2000/01	2000/01*
Total Long-term Interventions	212,090 (32.8%)	211,726 (32.6%)	182,643 (29.5%)
Total Short-term Interventions	423,798 (65.6%)	424,387 (65.3%)	424,387 (68.5%)
Pan-Canadian Interventions	9,951 (1.5%)	13,316 (2.1%)	12,372 (2.0%)
Total**	**645,839 (100%)**	**649,429 (100%)**	**619,402 (100%)**

Source: Client Data Set

*Data arrived at using new methodology.

** Rounding may result in totals not equalling 100%.

The mix of interventions, in any given province/territory, are determined through a variety of means including, but not limited to, community consultations, assessments of economic conditions and the environment in which service delivery must take place. However, foremost in determining what option would improve a particular client's employability are the specific needs of the client.

Clients are assessed for job readiness before starting an intervention and, in many cases, they are determined to be job ready. Under these circumstances, clients may be best served through a short-term intervention such as those received under the EAS Support Measure. However, in some instances, a short-term intervention may be used as a vital first step to prepare a client for entry into a subsequent long-term intervention. In other instances, short-term interventions, such as job finding activities under EAS, are used as a final step to help clients find work after they have obtained specific skills from a long-term intervention.

Program delivery strategies differ from jurisdiction to jurisdiction in order to meet the needs of the local labour market and, therefore, the use of short- and long-term interventions across jurisdictions varies. LMDAs provide provinces and territories with the flexibility to ensure that client needs are met at the local level.

Assessment of the data tend to indicate that long-term interventions are accessed more often in those parts of the country where the labour market is weaker and clients face more barriers to employment. It also shows that short-term interventions are accessed more often in those areas where the labour market is relatively strong and clients tend to be job-ready. This, however, does not preclude the use of long-term interventions to address clients' needs for basic skills.

To illustrate the use of the interventions described above, some regions/provinces provided examples of the use of different types of interventions. For example, in jurisdictions where unemployment is high and job opportunities more scarce, long-term interventions are necessary to assist clients in attaining higher levels of skills. Assistance derived from long-term interventions allows clients to compete with a smaller pool of workers for more skilled jobs. In other areas, where economic conditions are more favourable, long-term interventions are used primarily as a means of addressing skill shortages.

The composition of the labour market will also determine the type of intervention that is most suitable. For example, some local labour markets are comprised of a number of industries that do not require high literacy levels. As these industries decline, many individuals with strong attachment to the labour force find themselves unemployed with low levels of literacy and skills specific to a collapsing industry. Such clients not only require basic upgrading to improve literacy levels but also training to provide them with skills suitable to an evolving labour market.

In such cases, clients may require a mix of interventions suitable to address their employment needs.

Long-term Interventions

In 2000/01 there were 182,643 long-term interventions, which accounted for 29.5% of the total interventions started. Had the 1999/00 methodology for counting interventions been used, long-term intervention counts would have remained stable at approximately 212,000.

As was the case in previous years, interventions that involve formal training were accessed more often than other types of long-term interventions. As shown in Table 3, in 2000/01, nationally more than 7 of every 10 long-term interventions were in Skills Development. Skills Development accounted for the majority of long-term interventions in all jurisdictions, although to varying degrees. This reflects a continued emphasis on increasing skills as a means to help clients find and keep employment. Please refer to Annex 3.5 to view provincial/territorial variations in long-term intervention usage.

Table 3

Distribution of Interventions by Type of Long-term Intervention (%)

	1999/00*	2000/01	2000/01**
Targeted Wage Subsidies	26,096 (12.3%)	29,701 (14.0%)	29,671 (16.2%)
Self-Employment	14,538 (6.9%)	13,414 (6.3%)	11,244 (6.2%)
Job Creation Partnerships	18,591 (8.8%)	14,147 (6.7%)	11,127 (6.1%)
Skills Development	152,865 (72.1%)	154,464 (73.0%)	130,601 (71.5%)
Total* **	**212,090 (100%)**	**211,726 (100%)**	**182,643 (100%)**

Source: Client Data Set

*Skills Development for the purposes of this table brings together the results of Purchase of Training, Project Based Training and Skills Development.

**Data arrived at using new methodology.

***Rounding may result in totals not equalling 100%

Short-term Interventions

The number of short-term interventions remained stable (+0.1%) at 424,387 in 2000/01. Short-term interventions accounted for 68.5% of all interventions delivered (please see Annex 3.4 and Table 2 above). Had the 1999/00 methodology been employed, the proportion of short-term interventions would have remained relatively unchanged (-0.3 percentage points) from 1999/00.

As shown in Table 4, EAS and Individual Counselling interventions, as a proportion of short-term interventions, increased by 4.2 and 5.3 percentage points, respectively, from 1999/00 levels, while during the same period, Employment Group Services (EGS) declined by 8.3 percentage points. Much of the decline in EGS is the result of improvements in EGS policy.

Table 4

Distribution of Short-term Interventions by Type of Short-Term Intervention (%)

	1999/00	2000/01
Employment Assistance Services Support Measure*		
Employment Assistance Services Intervention	276,897 (65.3%)	294,770 (69.5%)
Employment Group Services**	94,645 (22.3%)	59,408 (14.0%)
Individual Counselling	40,387 (9.5%)	62,961 (14.8%)
Employment Benefit		
Supplément de retour au travail	11,869 (2.8%)	7,248 (1.7%)
Total* **	**423,798 (100%)**	**424,387 (100%)**

Source: Client Data Set

*Please note that these numbers also include some assistance carried out by Human Resource Centres of Canada rather than external service providers.

**EGS includes only active EI clients. An EGS intervention is not counted where another intervention has been recorded. Other programs in this table count all interventions regardless of status or the presence of another intervention. As a result, EGS is underestimated in this table.

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In such cases, clients may require a mix of interventions suitable to address their employment needs.

Long-term Interventions

In 2000/01 there were 182,643 long-term interventions, which accounted for 29.5% of the total interventions started. Had the 1999/00 methodology for counting interventions been used, long-term intervention counts would have remained stable at approximately 212,000.

As was the case in previous years, interventions that involve formal training were accessed more often than other types of long-term interventions. As shown in Table 3, in 2000/01, nationally more than 7 of every 10 long-term interventions were in Skills Development. Skills Development accounted for the majority of long-term interventions in all jurisdictions, although to varying degrees. This reflects a continued emphasis on increasing skills as a means to help clients find and keep employment. Please refer to Annex 3.5 to view provincial/territorial variations in long-term intervention usage.

Table 3

Distribution of Interventions by Type of Long-term Intervention (%)

	1999/00*	2000/01	2000/01**
Targeted Wage Subsidies	26,096 (12.3%)	29,701 (14.0%)	29,671 (16.2%)
Self-Employment	14,538 (6.9%)	13,414 (6.3%)	11,244 (6.2%)
Job Creation Partnerships	18,591 (8.8%)	14,147 (6.7%)	11,127 (6.1%)
Skills Development	152,865 (72.1%)	154,464 (73.0%)	130,601 (71.5%)
Total* **	**212,090 (100%)**	**211,726 (100%)**	**182,643 (100%)**

Source: Client Data Set

*Skills Development for the purposes of this table brings together the results of Purchase of Training, Project Based Training and Skills Development.

**Data arrived at using new methodology.

***Rounding may result in totals not equalling 100%

Short-term Interventions

The number of short-term interventions remained stable (+0.1%) at 424,387 in 2000/01. Short-term interventions accounted for 68.5% of all interventions delivered (please see Annex 3.4 and Table 2 above). Had the 1999/00 methodology been employed, the proportion of short-term interventions would have remained relatively unchanged (-0.3 percentage points) from 1999/00.

As shown in Table 4, EAS and Individual Counselling interventions, as a proportion of short-term interventions, increased by 4.2 and 5.3 percentage points, respectively, from 1999/00 levels, while during the same period, Employment Group Services (EGS) declined by 8.3 percentage points. Much of the decline in EGS is the result of improvements in EGS policy.

Table 4

Distribution of Short-term Interventions by Type of Short-Term Intervention (%)

	1999/00	2000/01
Employment Assistance Services Support Measure*		
Employment Assistance Services Intervention	276,897 (65.3%)	294,770 (69.5%)
Employment Group Services**	94,645 (22.3%)	59,408 (14.0%)
Individual Counselling	40,387 (9.5%)	62,961 (14.8%)
Employment Benefit		
Supplément de retour au travail	11,869 (2.8%)	7,248 (1.7%)
Total* **	**423,798 (100%)**	**424,387 (100%)**

Source: Client Data Set

*Please note that these numbers also include some assistance carried out by Human Resource Centres of Canada rather than external service providers.

**EGS includes only active EI clients. An EGS intervention is not counted where another intervention has been recorded. Other programs in this table count all interventions regardless of status or the presence of another intervention. As a result, EGS is underestimated in this table.

***Rounding may result in totals not equalling 100%.

The policy specified the type of activities that could be counted under EGS. This resulted in some interventions, previously recorded under EGS, to be more accurately recorded. However, an increase in EAS and Individual Counselling interventions in 2000/01 was noted. Intervention counts for EGS include only active EI clients who did not take part in any other intervention. This differs from EAS and Individual Counselling, which include counts for all interventions regardless of client status or the presence of another intervention. The numbers for 2000/01 in Table 4 above reflect these factors and must be interpreted with these factors in mind. Further, Table 4 reflects a national perspective. For provincial/territorial variations in short-term intervention usage please refer to Annex 3.5.

Pan-Canadian Activities

Pan-Canadian activities include Labour Market Information Services, which range from career counselling tools and education information to workplace dynamics and information on labour market trends. HRDC's information services and products are delivered through the National Employment Service, which is legislated by the EI Act.

In 2000/01, there were 12,372 interventions recorded as pan-Canadian activities (please see Annex 3.5). Some of these were delivered under Fisheries Restructuring and Adjustment Measures but most of the interventions relate to the Aboriginal Human Resources Development Agreements (AHRDA). It should be stressed that numbers reported under pan-Canadian activities only refer to EI Part II activities. For example, Part II expenditures account for about one-quarter of the total funds allocated to the Aboriginal Human Resources Development Strategy with the remaining three-quarters coming from the Consolidated Revenue Fund.

II. FINANCIAL EXPENDITURES[10]

Expenditures on EBSMs are dependent on many factors, such as the number of clients served and the number of interventions started, as well as the type, duration and cost of a particular intervention. For example, Skills Development is impacted by the cost of training, which may fluctuate from one year to the next. Similarly, Targeted Wage Subsidies (TWS) are dependent on, among other things, the duration of the supplement. However, the needs of the client are the main determinant of the type of intervention(s) required and subsequently impact expenditures. Other factors, such as positive economic conditions and program administration changes, also impacted expenditures in some jurisdictions in 2000/01.

In 2000/01, total program expenditures from the EI Account, excluding LMDA administration costs for transfer regions, declined by 2.4% to about $2.3 billion from $2.4 billion in 1999/00. Of this amount $1.9 billion was spent on Part II expenditures, which included $1.7 billion in regular Part II and another $192 million in Part II pan-Canadian. Part I benefits paid to active EI clients participating in EBSMs and pan-Canadian activities accounted for $398 million, down 3.6% from $413 million in 1999/00 (please refer to Annexes 3.6 to 3.8).

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[10] Although this chapter reports mainly on expenditures for EI Part II active measures, in some instances clients may receive Part I or Part II funding or a combination of both. HRDC allows active EI clients to continue receiving regular EI benefits (Part I) while taking part in Employment Benefits. As one of the conditions for receiving EI benefits, the individual must be available for work, which they would not be if they were engaged in training, a job creation project or setting up their own business. Part II funding is sometimes provided to active EI clients to assist them with additional costs associated with taking part in a program or service. In the case of former EI clients, funding comes solely from EI Part II.

Long-term interventions account for a smaller share of total interventions delivered than do short-term interventions. However, as shown in Table 5, long-term interventions account for a larger portion (58.6%) of total EBSM expenditures than do short-term interventions (20.6%), since they tend to be more expensive to deliver because of their duration. Spending on short-term interventions increased by $29.1 million (7.9%) and accounted for 20.6% of Part II expenditures. "Other" expenditures, which include expenditures on pan-Canadian activities, such as the Aboriginal Human Resources Development Strategy, decreased by $15.5 million (3.7%) from 1999/00 and represent 20.8% of total expenditures.

Table 5

EBSMs
Expenditures by Intervention ($000)

Year	1999/00	2000/01
Part II		
Long-term Interventions	1,191,460 (60.2%)	1,136,089 (58.6%)
Short-term Interventions*	370,818 (18.7%)	399,966 (20.6%)
Other (includes Pan-Canadian)**	418,148 (21.1%)	407,797 (20.8%)
Total Part II***	1,980,426 (100%)	1,938,852 (100%)
Part I		
EBSMs and Pan-Canadian	412,542	397,817
Part I and Part II		
Total Expenditure	**2,392,968**	**2,336,669**

Source: Client Data Set and the Corporate Management System
*No expenditures were recorded against either Employment Group Services or Individual Counselling since these are mostly salary items that are recorded under departmental and provincial/territorial operating budgets. As a result, expenditures for short-term inverventions are somewhat understated.
**LMDA administration costs for transfer provinces/territories are not included. Includes $7.3 million for Fisheries Restructuring and Adjustment Measures.
***Rounding may result in totals not equalling 100%.

Expenditures on long-term interventions as a proportion of total expenditures have declined each year since EI reform in 1996. This is consistent with positive labour market conditions that have prevailed over this period. The use of long-term interventions, and therefore expenditures, decline in times of strong labour market performance.

In previous reports, detailed average cost calculations were included in this chapter. Due to differences in service delivery from jurisdiction to jurisdiction, average cost calculations do not present an accurate picture of average cost per intervention for this reporting period.

III. RESULTS

The results in any one jurisdiction must be assessed in terms of the changing mix of programs and services offered to clients, the needs of the client population, and labour market characteristics. For some types of interventions, expenditures in one year do not produce results until the following year. Therefore, current year results may not correspond to current year expenditures. HRDC reports on its key indicators (please refer to Annex 3.9) and other data, such as the number of interventions (please refer to Annex 3.5).

1. Returns to Work[11] and Unpaid Benefits[12]

For 2000/01, a total of 206,004 EBSM clients returned to work.[13] The return to work of active EI clients before the end of their benefit period resulted in $730.4 million in unpaid benefits in 2000/01 (please refer to Annex 3.9).

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[11] "Returns to work" is a success indicator that refers to the number of insured participants (including current and former Part I claimants) who are working in paid employment and have received support through Employment Benefits.

[12] "Unpaid benefits" is a success indicator that refers to the amount of unpaid Part I benefits to active EI clients. It is determined as the difference between an individual's maximum entitlement to regular income benefits and the actual payout of such benefits.

[13] Overall results do not include an additional 4,651 returns to work and $8.8 million in unpaid benefits following Aboriginal EBSM interventions. Results for Aboriginal peoples are included separately in the section entitled Aboriginal Human Resources Development Strategy.

Long-term interventions account for a smaller share of total interventions delivered than do short-term interventions. However, as shown in Table 5, long-term interventions account for a larger portion (58.6%) of total EBSM expenditures than do short-term interventions (20.6%), since they tend to be more expensive to deliver because of their duration. Spending on short-term interventions increased by $29.1 million (7.9%) and accounted for 20.6% of Part II expenditures. "Other" expenditures, which include expenditures on pan-Canadian activities, such as the Aboriginal Human Resources Development Strategy, decreased by $15.5 million (3.7%) from 1999/00 and represent 20.8% of total expenditures.

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Until recently, HRDC did not have the capability to differentiate between non-insured clients and former EI clients in the results process. During 2000/01 the methodology for calculating returns to work was modified to fully comply with the reporting conditions outlined in the LMDAs. The LMDAs specify that only active and former EI clients are to be counted in the return to work indicator. As a result of this refinement, the overall returns to work for 2000/01 do not include non-insured clients.

Employment Group Services

Employment Group Services focuses on job search activities. The group sessions are conducted in an interactive environment to provide the individual participants with the opportunity to learn and develop the knowledge and skills they need to return to work. The sessions include subject matter such as: job search techniques; job application processes; job interviews; and career and occupational choices.

Results for Employment Group Services (EGS) reflect active EI clients who participated in a group session where the content was geared toward getting clients back to work quickly. Results indicate that 20,058 returns to work were attributable to EGS in 2000/01, which translated into unpaid benefits in the amount of $121.3 million. EGS accounted for 9.7% of all returns to work and 16.6% of unpaid benefits.

Reported EGS returns to work and unpaid benefits were lower than those in 1999/00. This is due to the new policy for EGS described earlier under short-term interventions. The decline in EGS activity is also reflected in the results for overall returns to work and unpaid benefits. It is important to note that this policy change accounts for much of the overall decline in returns to work and unpaid benefits.

Apprentices

The federal government recognizes the importance of apprenticeship as a means of assisting clients in attaining or maintaining skills. As such, apprenticeship is supported through Skills Development. Participants in the apprenticeship program receive income support payments from the federal government through the EI Account. Individuals who follow an apprenticeship program participate in a combination of on-the-job and classroom training for trades and occupations that have been identified by the provinces/territories. Data pertaining to apprentices in this chapter include clients who received benefits from EI Part I, Part II or a combination of both.

Apprenticeship is used by some provinces/territories as the key method to address skill shortages. In such areas, returns to work and unpaid benefits attributable to apprentices will be higher than those in areas of the country where apprenticeship is not emphasized. For example, Alberta places a strong emphasis on apprenticeship as a means of addressing skill shortages. Apprentices account for approximately 58% of unpaid benefits and 40% of returns to work in Alberta.[14] Similarly, in Saskatchewan apprentices accounted for about 76% of unpaid benefits and 56% of returns to work. This compares to 26% of unpaid benefits and 12% of returns to work nationally.

In 2000/01, returns to work for clients who took part in the apprentice component of Skills Development declined by 6.9% to 24,414, compared to 26,210 in 1999/00 (excluding Aboriginal results). Taking into account the decline in overall returns to work as a result of the change in EGS policy, the proportion of returns to work attributable to apprentices remains the same as that reported in 1999/00, at about 9%.

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[14] Alberta apprentices are slightly overstated. Please see footnote 5 in Annex 3.9.

In contrast to returns to work results associated with apprentices, unpaid benefits increased by $18.7 million to $189.9 million in 2000/01, compared to $171.2 million in 1999/00 (excluding Aboriginal results). Taking into account the effect of the EGS policy, the proportion of unpaid benefits accounted for by apprentices was about 19% in 2000/01, which is relatively stable (+0.7 percentage points) over 1999/00.

Aboriginal Human Resources Development Strategy

Under the Aboriginal Human Resources Development Strategy (AHRDS), Human Resources Development Canada negotiates agreements with Aboriginal organizations to give them the authority to design and deliver employment programs and services that reflect and serve Aboriginal needs at the community level. Aboriginal Human Resources Development Agreement (AHRDA) holders typically perform a number of activities in the delivery of their programs and services. These activities may include, but are not limited to, budget/target negotiations, building organizational capacity, program promotion, identifying/counselling/approving clients, determining client needs and evaluating program results.

In 2000/01, AHRDA holders, in cooperation with HRDC, administered programs similar to EBSM that resulted in the return to work of 4,651 Aboriginal clients. This is an increase of 8.5% (365 individuals) over the returns to work for Aboriginal clients in 1999/00. Unpaid benefits increased by 13.7%, to $8.8 million in 2000/01, compared to $7.7 million in 1999/00.

The increase in Aboriginal peoples returning to work and the resulting increase in unpaid benefits are attributable to an improved understanding of AHRDS programming and service delivery throughout the HRDC service delivery network and the Aboriginal organizations involved. As well, HRDC has refined its method of data capture. Aboriginal organizations have also contributed to this increase by improving data capture practices. The increase in the average weekly benefit rate, noted in Chapter 2, is also partially responsible for the increase in unpaid benefits.

IV. PARTICIPATION OF MEMBERS OF DESIGNATED GROUPS

HRDC provides information on participation in employment programs and services for four designated groups: women, persons with disabilities, Aboriginal peoples, and visible minorities (please refer to Annexes 3.10 through 3.13). Information on designated groups is dependent on voluntary self-identification. Consequently, some year-to-year differences may be due to differing levels of self-identification rather than actual changes in participation. Additionally, while progress has been made, incomplete data capture continues to contribute to the problem of underreporting of designated group participation. Nevertheless, the data provides a general indication of designated group participation. HRDC will continue to monitor and assess the situation in its effort to improve the accounting for designated groups in EBSMs.

For 2000/01, Employment Group Services interventions have been excluded from the calculations for designated groups on the basis that the information required to do the designated groups calculation is not available in all Group Services data. Participation in individual EBSMs remains comparable to previous years, as does the total for participation in long-term interventions. Overall this provides a more accurate reflection of designated group participation.

1. Women

In 2000/01, women participated in 45.5% of the interventions delivered. Women were more likely to take part in short-term interventions than long-term interventions. The representation of this group was 49.0% in short-term interventions and 38.3% in long-term interventions. Conversely, men were more likely to take part in long-term interventions than short-term interventions. The representation of women in long-term interventions is heavily affected by the apprentice element of Skills Development where the participation of women is historically low.

The participation of women in long-term Employment Benefits remained relatively unchanged with a 0.2 percentage point decrease from 1999/00. The participation of this group within long-term interventions was highest in Job Creation Partnerships where an increase of 6.9 percentage points raised participation to just under 50%. Participation of women in Self-Employment increased by 1.3 percentage points, but remained stable in Targeted Wage Subsidies (-0.5 percentage points). The participation rate of women in Skills Development declined slightly (-1.1 percentage points), which accounted for the slight decline in the overall participation of women in long-term interventions.

The participation rate of women in short-term interventions in 2000/01 is consistent with the participation rate reported in 1999/00. This group's participation in EAS increased slightly to 50.1% from 49.2%. Women's participation in Individual Counselling and the Supplément de retour au travail in Quebec declined 0.8 and 1.7 percentage points respectively.

2. Persons with Disabilities

Persons with disabilities received 3.7% of all interventions delivered in 2000/01. An increase occurred in all interventions, except for Individual Counselling, where participation declined slightly (0.7 percentage points), to 4.1% in 2000/01 from 4.8% in 1999/2000. The largest increases in participation for persons with disabilities occurred in Job Creation Partnerships (2.6 percentage points) and in EAS interventions, which reached 4.5% in 2000/01, compared to 2.6% in 1999/00. Overall, participation by this group in long-term interventions increased by slightly less than a percentage point (0.8 percentage points).

3. Aboriginal Peoples

In 2000/01, Aboriginal peoples participated in 7.1% of interventions delivered. Aboriginal peoples were more likely to participate in a short-term intervention than in a long-term intervention. The participation of Aboriginal peoples in long-term interventions declined to 2.9% in 2000/01, compared to 4.0% in 1999/00. Decreases occurred across all long-term interventions with the exception of Skills Development, which increased slightly (0.3 percentage points). Participation of Aboriginal peoples in EAS interventions and Individual Counselling increased 1.3 and 3.3 percentage points respectively.

4. Members of Visible Minorities

Members of visible minorities participated in 5.2% of the interventions delivered in 2000/01. The participation rate of this group in long-term interventions declined 0.2 percentage points to 2.5% in 2000/01, compared to 2.7% in 1999/00. Among long-term interventions, participation of visible minorities increased in Self-Employment and Job Creation Partnerships (0.9 and 0.2 percentage points respectively).

Among short-term interventions, visible minority participation was highest in EAS where this group accounted for slightly less than 8% of all interventions. Members of visible minorities were twice as likely to take part in a short-term intervention than in a long-term intervention.

V. EVALUATION[15]

Summative evaluations of the LMDAs, which will provide reliable and valid information concerning a program's impacts and effectiveness, are underway in three provinces: British Columbia, Newfoundland and Labrador, and Quebec.

In British Columbia, officials of the federal and provincial governments met to discuss the summative evaluation. A consultant has been hired to prepare a work plan and discussions are currently underway to begin the next phase of the evaluation. Federal/provincial consultations have taken place on summative evaluations in Newfoundland and Labrador and further collaborative work is underway to move ahead with this evaluation. Quebec is undertaking the summative evaluation of the LMDA in consultation with the federal government.

Much research and consultation has been carried out to ensure that state-of-the-art methods and research designs in estimating the impacts and effects of programs are used in the summative evaluations. An expert panel, comprised of private sector evaluators, academics and HRDC evaluation representatives, was asked to review and suggest modifications to the current methodology. Based on the panel recommendations, an advanced methodological approach reflecting recent technical developments in results measurement is being developed to evaluate programs and services offered under the LMDAs. This methodological approach will also be applied in Ontario, which does not currently have an LMDA. Although an effort will be made to specify common methodological elements and basic indicators in order to have points of comparison among the regions, the specific concerns of the provinces and territories will be included.

In addition to the work to evaluate the LMDAs on a broader basis, HRDC has also carried out work in preparation for joint federal-provincial pilots to test the feasibility of using operational data to monitor and report on EBSM effectiveness on an ongoing basis. It has been determined that the Medium-Term Indicator (MTI) pilot will test a methodology for tracking participant outcomes over the medium term (up to three years). Agreements have been reached with two provinces to pilot MTI and discussions are ongoing with a third. The MTI projects, and the associated pilots, support HRDC's commitment to monitor and report upon the effectiveness of EBSM programs delivered under LMDAs to the greatest extent possible.

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[15] The LMDAs call for two types of evaluations: formative and summative. The *Employment Insurance 1999/00 Monitoring and Assessment Report* provided information on the formative evaluations completed to March 31, 2000. This included findings from: Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, the Northwest Territories, Nova Scotia, Prince Edward Island, Ontario, Quebec and the Yukon. In 2000/01, formative evaluations were well advanced in Saskatchewan and Manitoba and will be finalized in 2001/02. Definitions of formative and summative evaluations, as well as formative evaluation findings reported in previous Monitoring and Assessment reports can be found at http://www.hrdc-drhc.gc.ca/ae-ei/loi-law/eimar.shtml.

This chapter reports on the efforts made to provide high quality services to Canadians and assesses the 1996 changes made to the financing structure of Employment Insurance (EI).

I. QUALITY SERVICE INITIATIVES

Key Facts

- 1.8 million new and 0.54 million renewed claims annually (see Chapter 2 for more details)
- 96.6% of claims in pay within 28 days
- Over 320 points of service
- 70% of claimants file their claims at EI kiosks
- 56% of claimants chose to be on direct deposit
- 34% of claimants chose to use telephone declaration for their biweekly reports and are on direct deposit, eliminating 3.5 million pieces of mail
- The Automated Voice Recognition System (AVRES) answers around 29 million calls per year and EI Telephone Centres handle 7 million calls
- Thousands of Canadian families benefited from changes to the maternity and parental provisions introduced in December 31, 2000
- HRDC worked with unions, advocacy organizations and employer groups to communicate the maternity and parental changes to Canadians
- In 2000/01, HRDC redesigned its Insurance Web site to provide better access to information on Canada's most important social insurance program
- 87% of client appeals to the Board of Referees were scheduled for a hearing within 30 days of the date the appeal was received

1. Balancing Service Delivery

In a continuing effort to improve the administration of the EI program and provide better service to clients, HRDC introduced a national policy on EI claims processing in 2000/01. When claimants apply for EI, they are asked to return to the local office once they have received their Record of Employment (ROE) form. Claimants are assured that the processing of their claim will not be delayed as a result of this requirement, as all claims are processed according to the date that the claim begins, not the date that the ROE is received. If clients are unable to obtain the ROE in a timely manner, HRDC will process the claim without the ROE. This new system allows for more timely and accurate claims processing, and improves service to Canadians.

Development of a "balanced scorecard" approach to performance measurement, that is, an appropriate balance between speed of service and quality of service, continued during 2000/01.[1] National speed of service for scheduling of client appeals was 87.0% in 2000/01. This reflects a 2.5% improvement from the previous year, and is the highest level attained in the last five years. The implementation of the Appeals Delivery Management System has allowed everyone in the appeals system to better target where improvement is needed.

2. EI Quality Management Initiative (Quality and Accuracy)

To maintain and enhance the quality of decision making, and to address the EI error rate and the overall service quality at the local level, HRDC put in place the EI Quality Management Initiative. The main goal of this initiative was to implement a framework for

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To maintain and enhance the quality of decision making, and to address the EI error rate and the overall service quality at the local level, HRDC put in place the EI Quality Management Initiative. The main goal of this initiative was to implement a framework for continuous improvement of the quality of all aspects of service delivery. This initiative is solidified through a national Quality Management Policy that is reviewed and updated every year. Quality monitoring and feedback to staff are essential elements of the Policy's implementation.

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In addition, a National Insurance Quality Management Committee was formed to oversee this initiative. Each region develops and implements an action plan to redress situations where improvement is required. Staff involved in the delivery of services provide feedback leading to improvements.

Each region provides quarterly reports to National Headquarters detailing actions taken to improve services. National workshops for regional quality co-ordinators are held twice a year to review and update the Quality Management Policy, and to address quality improvement issues.

3. EI Appeals

One of the pillars of EI is the right of a claimant or employer to appeal a decision. HRDC has made a number of important changes to make the EI appeal process more accessible, including the use of telephone and video conferencing.

The first level of appeal is to the Board of Referees (BOR). Three members comprise the BOR. These members are selected based on nominations from labour and business organizations (one-third each) plus a neutral Chairperson. All are members of their community, with no ties to HRDC. EI appeals are heard in 83 appeal centres across Canada. In 2000/01, BORs heard 31,000 appeals, about 1.2% of all new and renewed claims. Twenty-five percent of EI appeals resulted in a change to the decision of the Department. Appeals are normally heard within 30 days of the date received.

The second level appeal is to the Umpire. Last year, Umpires heard 3,100 appeals of BOR decisions, the vast majority (over 90%) from the appellant. This represents a substantial reduction in the number of appeals going to the Umpire in prior years, reflecting greater confidence in the decisions of the BORs.

The third level of appeal is to the Federal Court of Appeal (FCA). This is outside the scope of the Act, but the BOR and the Umpires are bound by FCA decisions.

The appeals system continues to be improved through enhanced training of BOR members, the introduction of a "balanced scorecard" approach to increase appellant confidence, and a user-friendly Internet site of significant EI jurisprudence.

4. EI Internet Development

EI Internet development is based on two pillars: EI Services to Employers and EI Services to Individuals:

EI Services to Employers

EI Services to Employers is a multifaceted initiative that seeks to streamline how businesses provide payroll information to HRDC. The two initial components under review are the ROE Web and Automated Earning Reporting System (AERS) redesign.

In 1998, HRDC management approved a formal project to develop the ROE Laser Print application for national deployment. In 1999, after the national roll-out of ROE Laser Print, HRDC looked into applying new developments in technology to further automate ROE processing using the Internet and Web technology. ROE Web is a phased project to develop and implement a suite of applications enabling government-to-business transactions over the Internet. It involves accepting secure, Web-based transmissions of Record of Employment (ROE) data from employers, using

Public Key Infrastructure (PKI) technology that provides authentication, encryption and digital signature on the transactions. This initiative will improve services to Canadian businesses, improve administration of the EI Fund, and reduce administrative costs.

Key activities will be undertaken in 2001/02 to redesign the AERS. This system, in place since the early 1980s, allows employers to report payroll data to HRDC, which is used to detect and deter abuse against the EI Account. The present system is restrictive in that only certain payrolls can be accepted. The redesign will remove the restrictions on the payroll types as well as allow employers to report their data via the Internet.

EI Services to Individual Canadians

The EI Appli-web project is designed to allow EI claimants to apply for benefits via the Internet. The pilot started in London, Ontario in February 2001.

Appli-web will be expanded to one lead site in each region during fiscal 2001/02. In addition, significant enhancements are being introduced, including the Interactive Fact-finding System (IFFS) and Secure Channel. IFFS is a rules-based, interactive system that will replace the annexes and questionnaires currently used to obtain additional information from clients. Secure Channel increases the level of security available on the Appli-web system by allowing claimants to enter a password as an additional means of identification.

5. The Readability Project (formerly the Plain Language Project)

The Readability Project was conceived during EI reform and began with a partnership with the Department of Justice forged in early 1997. Its purpose is to rewrite and reformat the EI legislation to make it more accessible and easier to understand for Canadians. It respects the current EI legislation and legal rules, and makes no substantive policy changes to the EI program.

An Advisory Group has been formed through the Employment Insurance Commissioners for Workers and Employers to include our partners from the private sector, government, academia, unions and advocacy groups, thereby ensuring broad consensus.

After preliminary phases involving intensive research, development of a new structure for the Act and experimental drafting, the project went into production mode in September 2000 with full-time staff. Drafting of the new version of the EI Act is progressing at a steady pace and consultations are ongoing in regard to the drafting of the text and other plain language techniques.

The tabling of the *Employment Insurance Bill* could be as soon as early 2003. The resultant product could serve as a prototype for future legislative drafting in Canada.

6. Telephone Services

HRDC continues to provide a choice to Canadians of how they access services – in person, by telephone, via the Internet, etc. General inquiries and payment details are answered using the EI automated voice response applications. Claimants can also access expert service for complex inquiries, claim renewal and non-discretionary decisions from 11 call centre sites across Canada.

The HRDC Call Centres Vision and Blueprint for Action (2001-2003) provides an action plan for positioning EI and Income Security Programs Call Centres for the future. To promote Call Centres as a workplace of choice, a recruitment and retention strategy will be developed, including training and career development, and tools designed to support service delivery. A consistent, national telephony platform will simplify the systems maintenance, and reporting functions.

Usage of Teledec (telephone declaration) and Direct Deposit has continued to increase (i.e., to 58% and 56% usage respectively in 2000/01). This has resulted in faster service compared to traditional paper processes.

7. Staff Training

Training for Insurance staff continues to receive high priority as HRDC "walks the talk" as a learning organization. A national training policy will be implemented in 2001/02 to establish a training framework that will support the Insurance program within the context of the corporate service delivery policy.

Knowledge-based training products for claims processing staff are reviewed and maintained on an annual basis to ensure consistency in services provided to clients. New legislation training on Bill C-32[2] was successfully delivered via Business Television this year and it was then incorporated into existing training products.

Competency-based training for frontline staff is a priority for the EI program. A course on Client Interviewing, Fact-finding and Documentation will be tested during the summer of 2001, and five regional "training for trainer" sessions will be available by the end of the fiscal year. A redesign of the Appeals Argumentation Course will be released to the regions in summer 2001. Finally, training needs analysis for a comprehensive Communication Skills Program for all claims processing staff will be completed this fiscal year.

Training for Investigation & Control (I&C) Officers, Clerical Investigators, as well as for those who manage this function was either piloted or completed during 2000/01 in various formats. Three classroom-training courses were piloted, including Managing I&C Activities (which addresses the quality management process, operational monitoring, reports, and performance indicators); Interviewing Techniques for Clerical Investigators; and the Investigative Strategy for I&C Officers.

Because of the heightened interest in the Social Insurance Number (SIN) file, two training courses were developed to assist investigators with the conduct of SIN investigations, and on the issue of identity fraud. They will be ready for pilot in the next fiscal year.

Six new Web-based training courses were posted to the I&C Intranet site, as Distance Learning becomes a popular and efficient method of acquiring new learning.

8. Social Insurance Number

The EI Act provides for the administration of the SIN. The role of HRDC is to process SIN applications, maintain the Social Insurance Registry and to ensure the integrity of the SIN program by investigating cases of fraud or misuse.

The new *Personal Information Protection and Electronic Documents Act* went into effect in January 2001. It will help to safeguard the privacy of Canadians and will guide the use of the SIN in both the private and public sectors.

A SIN public awareness campaign began in order to inform the general public and employers on the use of the SIN and how to protect it against abuse. For example, a number of pamphlets/flyers were created by HRDC to educate the public on the proper use of their SIN.

The Auditor General's 1998 report concerning the management of the SIN recommended improvements in the administration of SIN activities. HRDC has responded positively and has made improvements in a number of areas including annotating (flagging) the accounts of 5.6 million SINs in 2000/01 (up from 5.4 million the previous fiscal year) that have not been used in the last five years.

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[2] Bill C-32, the *Budget Implementation Act*, received Royal Assent on June 29, 2000. This legislation contained amendments to the *Employment Insurance Act* to implement the enhanced parental benefits. Parents of children born, or placed in the parent's care for adoption, on or after December 31, 2000, are eligible for the enhanced parental benefits.

The number of SIN investigations nationally has doubled since 1998/99. A new performance measure, "SIN Investigations Completed," has helped in this regard.

In 2000/01, HRDC implemented a balanced approach to improve the integrity of the Social Insurance Registry (SIR). A four-point action plan has been implemented: working with provincial vital statistics agencies to obtain tombstone information necessary to maintain SIN integrity and prevent fraud; maintaining and making further improvements to SIR data integrity; tightening control of the SIN application-taking process and increasing the number of SIN investigations; and continuing the SIN Public Awareness Campaign.

9. Employment Insurance and In-Person Services

In-person service delivery is constantly evolving since it is inspired by the needs of citizens. In order to play a proactive role in this evolution, a new approach for in-person services is being developed. Clients will have access to current information, adapted to their needs, at the first point of contact.

10. Group Information Sessions

Group Information Sessions help clients understand their rights and obligations, thus allowing them to make informed decisions regarding their EI benefits. They also provide an opportunity to inform clients of services available to help them become re-employed.

All regions have made commitments to implement Group Information Sessions in all of their Human Resources Canada Centres (HRCCs). To help implement this initiative, National Headquarters staff has visited HRCCs in various regions to assess the sessions given, to provide feedback and to make recommendations for additional improvements where necessary.

An exit survey was completed by clients who attended Group Information Sessions to determine their effectiveness. Nationally, the results reflected that our clients found the sessions very helpful, informative and beneficial.

11. Investigation & Control Savings

In 2000/01, Investigation & Control activities shifted emphasis to prevention and deterrence activities. This shift resulted in a slight reduction in savings to the EI Account, from $573 million in the previous fiscal year to $553 million in 2000/01. This represents savings of $9.23 for every dollar spent on these activities. Total savings were comprised of overpayments ($181.5 million), administrative penalties ($98.9 million), and the value of benefits not paid out ($272.7 million).

12. Undeclared Earnings

As reported last year, the Canada Employment Insurance Commission had adopted a new regulation in December 1999 designed to eliminate the practice of assigning undeclared earnings into a calendar week where the claimant did not work and had no earnings. As intended, it allowed earnings to be accurately applied to and deducted from benefits in respect of the precise period during which they were earned.

However, ongoing monitoring found that, despite the regulatory change, there were still a significant number of cases where the undeclared earnings rules resulted in unfairness. More specifically, the rules resulted in overpayments when there were undeclared earnings in some weeks of a period of employment and the rules required the earnings to be allocated over the entire period. Analysis indicated this could be addressed by repealing the applicable regulation (Regulation 15). The HRDC Standing Committee also recommended such a change.[3]

13. EI Economic Regions

Under the EI program, specific entrance requirements and benefit entitlements depend on the unemployment rate in the applicable economic regions, which are established under the legislation. The *EI Regulations* require that EI regions be reviewed at least every five years.

As reported last year, the Department carried out its five-year review of the EI economic regions during 1999/00. The resultant revised regulations were adopted in two phases in July and September 2000. Transitional measures were implemented in two new regions in order to gradually phase-in changes over three years so that people can adjust to the new boundaries. HRDC is using a formula that averages the unemployment rate in the Bas-St-Laurent - Côte Nord Region with the rate in the Gaspésie-Îles-de la-Madeleine Region and the unemployment rate in the Madawaska-Charlotte EI Region with the rate in the Restigouche-Albert Region. These measures applied to claims processed as of September 17, 2000. Employment measures were also introduced to assist individuals in these two regions who required help due to the non-retroactivity of the regulatory changes.

14. 60th Anniversary of EI/UI

The reporting period marked the 60th anniversary of Unemployment Insurance (UI) in Canada. The first UI bill was passed in 1940 and premiums began to be collected in 1941. UI, now EI, has seen many changes over the years, as it has evolved to reflect changes in the Canadian labour market and economy. Benefits have been added and the rules and the program updated many times, but it has remained true to its original principles: to provide income support to Canadians between jobs and to reintegrate Canadians who lose their jobs into the workforce as quickly as possible.

II. FINANCING STRUCTURE

1. First Dollar Coverage

In 1997, EI reform brought in a new method for calculating premiums. Employers and employees now pay premiums on all earnings beginning from the first dollar, up to an annual maximum of $39,000. This system extends coverage to all workers and is also easier for employers to administer than the previous one, which used a weekly minimum and maximum for calculating insurable earnings. The removal of the weekly minimum as a criterion for eligibility also had the effect of bringing workers with low incomes into the system. Furthermore, the use of annual Maximum Insurable Earnings as opposed to weekly maximums equalized the contributions of workers with similar annual earnings but different work patterns (e.g., seasonal workers).

2. Premium Refunds

To reduce the impact that first dollar coverage would have on low-income earners, individuals with $2,000 or less of insurable earnings have their premiums refunded under the EI program.

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[3] The regulation was, in fact, repealed effective August 12, 2001. This means that the treatment of undeclared earnings returns to the pre-1996 rules.

In 1999, 886,147 individuals received a premium refund, 5.7% more than in 1998. The amount refunded to these individuals was $20 million. Although this represents a decrease of 12.1% over 1998, this was partly due to the decrease in the premium rate from $2.70 to $2.55. Of those receiving the refund, 56% were women and 40% were youth.

3. New Hires and Youth Hires Programs[4]

The New Hires Program was a two-year program that provided transitional relief to small firms facing an increase in EI premiums in 1997 and 1998. Under the program, small businesses with employer premiums up to $60,000 in 1996 could be eligible to receive up to $10,000 of assistance in each of the two years. Firms could receive a 100% refund in 1997 and 25% in 1998, on any increase in premiums above $250 from the amount that they contributed in 1996. Firms expected to benefit from the program included those who hired new employees and those with part-time employees who paid EI premiums for the first-time as a result of moving to first dollar coverage.

Under the New Hires Program, eligible firms had up to three years to claim their refunds. The 1997 tax files indicate that for the first year of the program, approximately $275 million in EI premiums was refunded to 177,000 employers. It is estimated that approximately 336,000 employers were eligible for a premium refund, a take-up rate of close to 53%. The 1998 tax files indicate that for the second year of the program, approximately $105 million in EI premiums was refunded to 156,000 employers.

In 1999, a two-year program entitled Federal Youth Hires began.[5] It provided EI premium relief for employers who expanded their youth payroll in 1999 and 2000. All employers (not just small businesses), who hired youth aged 18 to 24 years during that period, were entitled to receive some premium relief. Under the program, the total EI premiums employers paid for youth were no more than the amount that they paid in 1998. There was no maximum premium relief amount.

The preliminary 1999 and 2000 tax files indicate that for the first year of the Federal Youth Hires program, approximately $184 million was refunded to 294,000 employers and for the second year, approximately $239 million was refunded to 296,000 employers. Employment gains noted for youth in the 1999 and 2000 reports were a factor in the large refunds as was the decision to adopt a proactive approach to processing that ensured that all eligible employers would receive their refunds without waiting for their applications to be received.

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[4] For a more detailed description of the New Hires and Federal Youth Hires programs, please see Annex 5.1 of the *Employment Insurance 1999 Monitoring and Assessment Report*.

[5] All employers are eligible to participate in this program. Information regarding the program is available at Canada Customs and Revenue Agency offices and on the Internet at http://www.ccra-adrc.gc.ca (Forms and Publications).

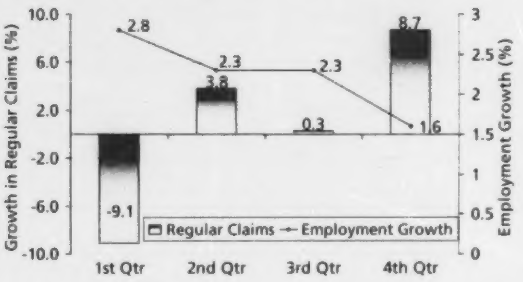
Chapter 5 – Impacts

This chapter integrates the analysis of the impact of EI on the labour market, individuals and communities. It synthesizes the findings from previous chapters and examines the extent to which savings are being achieved.

I. OVERVIEW

Throughout this report, it has been noted that although growth has slowed since the last reporting period, the Canadian economy and labour market generally performed well in 2000/01. However, it should be noted that the growth was unevenly spread across the reporting period (see Chart 1). The fourth quarter, in particular, was characterized by an economic slowdown triggered by declining demand for consumer goods in the United States.

Chart 1: Employment Growth vs. Growth in Regular Claims, 2000/01



As Chart 1 also shows, new EI claims increased considerably over the reporting period. After a significant decline (-9.1%) in the first quarter, new claims began to increase over the second and third quarters (3.8% and 0.3%, respectively). Then, in the final quarter of 2000/01, new claims jumped substantially (8.7%), resulting in an overall increase of about 0.8% or 10,700 new EI claims over 1999/00.

Despite the weaker performance of the economy and labour market in the final quarter of the reporting period, the amount of total income benefits paid declined by 1.0% to $9.3 billion, with regular benefits paid declining by 2.7% and fishing and special benefits increasing by 8.6% and 5.2%, respectively. This is due to the fact that the majority of new claims were filed in the final quarter of 2000/01 and, therefore, most of the benefits associated with these claims were not paid until 2001/02. Similarly, participation in EBSMs during 2000/01 remained relatively stable in spite of the economic slowdown. This may be because there is a lag between the time when a client becomes unemployed and when that client seeks Part II employment assistance and also, because not all clients seek assistance.

Analysis in Chapter 1 has highlighted the important role of education in labour market outcomes, particularly in times of economic slowdown. Generally, Labour Force Survey data shows that workers with low levels of education face higher levels of unemployment than those with more education. The differential becomes even more pronounced when economic activity begins to slow and those with lower levels of education become much more susceptible to job loss. In fact, a sharp decline in employment for those with less than high school and a decline in employment growth for high school graduates became evident in the third quarter of 2000/01, one quarter before the economic slowdown was measured by economic indicators such as the unemployment rate. However, those with a post-secondary education continued to experience job growth throughout the reporting period, in spite of the changing economic conditions.

II. EI AND INDIVIDUALS

1. *Supporting Working Individuals and Their Families*

EI is an important program to working Canadians and their families, even when the economy is strong as it was in the first three quarters of 2000/01. Results indicate that even with the continued economic growth, Canadians filed about 1.4 million new regular claims and 1.8 million new claims overall, and about half a million people accessed EI funded active measures to help them return to work in 2000/01.

The analysis demonstrates that the EI program is responsive to variable labour market conditions across different regions, through the variable entrance requirements (VER). As a result of the VER, access to EI was similar across all regions of the country despite variations in unemployment rates and local labour market conditions. Analysis on coverage indicated that 88% of Canadians in paid employment would have been able to access EI benefits if they had lost their jobs in December 1998. According to the Labour Force Survey, over 84% of Canadians were working in paid employment in 2000/01.

Nearly 11% of all EI claims received higher weekly benefits because of the Family Supplement. With the Family Supplement coming to maturity in 2000, average weekly top-ups to EI benefits increased to $44 in 2000/01. However, increased earnings from employment over the past few reporting periods has reduced reliance on the Family Supplement as more families have incomes that are higher than $25,921. In 2000/01, the number of claims that included the Family Supplement declined by 4.1% and total payments declined by 2.3%, over the previous reporting period.

Analysis in Chapter 2 also indicated that in 1999/00, a total of 744,090 or 53.9% of regular claimants reported working while they were on claim.[1] Further analysis has found that there is a clustering of claims around the threshold of $50 or 25% of benefits, and that frequent claimants are much less likely to work while on claim than first-time and occasional claimants. The design of the work while on claim provision will be further analyzed.

In addition to supporting Canadians who are temporarily out of work, EI also plays an important role in supporting working Canadians in their efforts to balance their work and family responsibilities. To offset income loss during an absence from work while caring for newborn or newly adopted children, changes were made to parental benefits that affect the duration and flexibility of the benefits, effective December 31, 2000. The new provisions were in place for only the final quarter of 2000/01. Therefore, firm conclusions cannot yet be drawn. However, analysis indicated that claims for biological and adoptive parental benefits increased by 5.2%, which exceeded the number of maternity claims for the first-time since its inception. Further, men's claims for parental benefits increased by 44% (see Chart 2), suggesting that the new measures have provided the flexibility to allow more fathers to take a leave from their employment to help care for their newborn child. Further monitoring is required to clearly assess the sustainability of these impacts.

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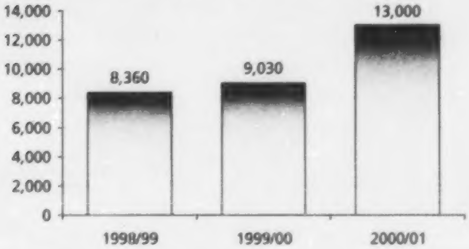
[1] The data for work while on claim is lagged by one year in order to ensure that claims are complete.

Chart 2: Number of Fathers Claiming Parental (Biological) Benefits



Claims for sickness benefits increased for the third consecutive reporting period. Analysis using EI administrative data and the Labour Force Survey indicated that most of the change was a result of fundamental changes in the labour market. Two-thirds of the increase in sickness benefits claims since EI reform was attributable to increases in pure sickness claims. Most of the increase in pure sickness claims was due to a combination of growth in paid employment, the aging of the labour force and year-to-year volatility. The remaining one-third of the increase in sickness claims was due to increases in mixed regular and mixed maternity/parental claims.

2. Women and Men

In previous reports, it was emphasized that the different labour market patterns of men and women influence their use of EI. This year was no different. Regular claims by women declined by 2.5%, while men's claims increased by 3.1% in 2000/01. The decline in women's claims reflected the stronger growth in the services-producing sector, where women tend to have greater representation, compared to the goods-producing sector. Men were particularly affected by the slowdown in manufacturing, which was the key factor behind the considerable increase in regular claims during the fourth quarter. Overall, new claims by men employed in manufacturing rose by 19.7% nationally and by 51.1% in Ontario, which accounts for close to one-half of total employment for men in manufacturing. Further, in the fourth quarter, new manufacturing claims by men in Ontario more than doubled over the previous year. It should be noted that 1999/00 was an exceptionally strong year for the goods-producing sector, in general, and the manufacturing industry, in particular. As a result, the magnitude of the increase in claims in 2000/01 over 1999/00, appears inflated due to the fact that regular claims were at their lowest level ever in 1999/00.

Special benefits claims increased by 6.0% over the previous reporting period and three-quarters of all special benefits claimants were women. Recent changes that reduced the hours required to qualify for special benefits from 700 hours to 600 hours meant that part-time workers, the majority of whom are women, are now able to qualify for special benefits with as little as 12 hours of work per week over a year. Additionally, effective for the 2000 taxation year, special benefits are no longer subject to the clawback provision. It is too early to assess the impact of this change as this provision is administered through the tax system and the latest data available is for the 1999 tax year. The EI program also allows employers the flexibility to supplement special benefits.

To provide greater flexibility and to respond to the realities of dual-earner households, the duration of parental leave was extended and the second waiting period was waived when parents choose to share parental leave. Early evidence shows that the take-up of parental leave by men increased substantially (62.6%) in the fourth quarter of 2000/01, when the new provisions came into effect. Furthermore, changes were made to the re-entrant provisions so that parents who had left the labour force to care for young children are subject to the same eligibility requirements upon re-entry as other claimants in their region.

Women were the primary beneficiaries of provisions aimed at lower income claimants. Nearly two-thirds of Family Supplement payments were made to women, despite the fact that women accounted for less than half of all EI claims. Women also benefited from the Small Weeks provision more than men, filing 59% of all claims with small weeks and, among prime age workers, 62.4% of Small Weeks claims. Women also represented 56% of all recipients of premium refunds.

3. Youth and Older Workers

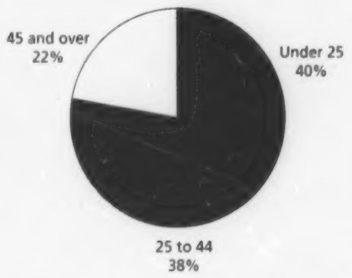
In Chapter 1, it was noted that youth continued to enjoy strong employment growth (3.6%), as has been the case in the last two Monitoring and Assessment reports. However, declining employment levels for youth in the third and fourth quarters of 2000/01 resulted in a 7.3% increase in claims for youth in the fourth quarter over the previous year. Historically, youth have been one of the first groups to be adversely affected in times of economic slowdown.

Nonetheless, nearly two-thirds of jobs created for youth in 2000/01 were full time. While this figure is lower than in 1999/00 when over 86% of new employment for youth was full time, it reflects strength in the youth labour market that prevailed, primarily in the first half of the reporting period. It should be noted that many youth who work part-time do so because they also attend school.

An element of EI that has a particular effect on youth is the higher eligibility requirements for new entrants. These rules were designed to ensure that workers, especially new workers, establish a significant attachment to the labour force before collecting EI benefits. In earlier reports, it was noted that this element of the program was achieving its objectives. Results from a recent HRDC study using COEP Survey data confirm this, finding that the proportion of new entrants and re-entrants working between 910 and 1,050 hours increased from 37.6% before reform to 55.7% in 1997/98. Further, Chapter 2 indicated that the probability of a new entrant or re-entrant making a claim has not changed since EI reform.

Key features of EI financing that affect youth were highlighted in Chapter 4, including premium refunds and the Federal Youth Hires Program, designed to provide relief of EI premiums to employers who expanded their youth payroll in 1999 and 2000. About $20 million in premiums were refunded to nearly 900,000 low-income contributors in 1999. Youth represented 40% of premium refund recipients (see Chart 3).

Chart 3: People who Received Premium Refunds



Older workers continued to experience a higher than average employment growth rate (3.8%). However, employment growth declined from the beginning to the end of the reporting period. In the first quarter, employment growth for older workers was 5.7%. It fell to 1.7% in the fourth quarter. This is significant because when older workers lose their jobs during a period of economic slowdown, they are more likely than other workers to experience longer periods of unemployment.

The claims pattern for older workers reflected the changes in employment growth during the reporting period, with claims declining by 7.0% in the first quarter and increasing by 14.5% in the final quarter of 2000/01. Older workers with long spells of insured employment duration were particularly affected as claims increased by 12.8%, compared to increases of only 2.1% and 0.4% for older workers with short and medium spells of insurable employment, respectively.

4. Frequent Claimants

Frequent claimants accounted for 37.3% of all regular and fishing claims in 2000/01, down slightly from 39.3% in 1999/00. The proportion of benefits paid to frequent claimants has remained relatively stable since EI reform, at close to 40.0%.

Contrary to previous reports, when most of the decline in the number of frequent claimants was traced to non-seasonal frequent claimants, the gap was less pronounced in 2000/01 (5.6% for non-seasonal workers versus 3.7% for seasonal workers). This can be explained by the fact that economic conditions affect non-seasonal work much more than seasonal work. Consequently, the slowing down of the economy in 2000/01 had a much greater impact on the employment opportunities for non-seasonal frequent claimants.

5. Fishers

Although fishing benefits represent a relatively small part of the EI program, EI benefits play an important stabilization role in fishing communities. Total fishing claims increased by 11.0%, total benefits paid increased by 8.6% and average weekly benefits increased by 3.0% in 2000/01. Fishing claims by men increased by 8.8% and women's fishing claims rose by 25.0% in 2000/01. It should be noted that despite the large percentage increase in fishing claims by women, in absolute terms, there were only 862 new claims.

The calculation of fishing benefits is different than that for other EI benefits because it is tied to changes in the value of resources harvested. As a result, eligibility for fishers is based on insured earnings rather than insured hours of work, as is the case with all other EI claimants. Results for 2000/01 continue to indicate that virtually all claimants for fishing benefits have more insured earnings than the minimum required to qualify and close to 80% of fishers continue to qualify with twice the amount required to qualify. These results continue to suggest that the earnings-based entry requirements may be too low given the overall level of revenues in the fishery.

6. Coverage

HRDC continues to use a range of measures to understand eligibility for EI income benefits. Analysis that focused specifically on the effectiveness of EI in providing coverage to the *employed* population indicates that 88% of paid workers would have met the eligibility requirements and received EI benefits had they lost their jobs in December 1998. Furthermore, the variable entrance requirements allow for comparable coverage across the country, even in areas of high unemployment.

New analysis of the employed population shows that eligibility was high for both men and women. The data show that access is comparable for similar patterns of work.

The Employment Insurance Coverage Survey (EICS) provides analysis on the *unemployed* population targeted by the EI program. The EICS indicates a high degree of program effectiveness, with 83.2% of those for whom the program was designed being eligible to receive benefits. Moreover, the EICS results indicated that the difference in EI eligibility between men and women has decreased significantly, from 7.4 percentage points in 1999 to 2.4 percentage points in 2000, due to the increasing proportion of women working full time. Between 1999 and 2000, the proportion of adult women working full time grew by 3.8% while the proportion in part-time employment declined by 1.0%. This compares to increases of 2.2% and 2.1%, respectively, for adult men. Those who are not eligible have insufficient hours.

The beneficiary to unemployed (B/U) ratio, a commonly cited measure of the coverage of the unemployed population, has remained stable at 45%. The B/U ratio is considerably lower than other measures because it is a very broad measure that includes the entire unemployed population, including those who voluntarily quit their job, those who have not had a job in the past year, and those who were formerly self-employed. As a result, its focus is much broader than the target population for EI.

Although there was no new COEP data available this year on the link between EI exhaustion and the take-up of social assistance, the increase in coverage rates, combined with the decrease in exhaustion rates and the stability in the proportion of entitlement used, suggests that the take-up rate for social assistance by EI exhaustees has not increased.

It is important to note that the EI program provides more than income benefits. As noted in Chapter 3, many claimants also participate in EBSMs and, furthermore, many Canadians who are not eligible for income benefits still receive assistance in finding and keeping work through a variety of support measures. It is also worth noting that many other Canadians access information on jobs and the labour market through HRDC local offices and Internet sites.

7. Employment Benefits and Support Measures

The design of EBSMs was intended to adapt active employment measures to local labour market conditions. As a result, interventions can be either long- or short-term in duration, depending on the needs of the individual client. Since the introduction of EBSMs in 1996, long-term interventions have represented a steadily decreasing proportion of total interventions. This is because the labour market has been strong since EI reform and, in positive labour market conditions, short-term interventions are often the preferred means of assisting clients to return to work quickly. However, as noted in Chapter 3, labour market conditions is only one factor that influences the use of long-term interventions. Worker and employer needs and the skill level of the local labour force are also taken into consideration when deciding upon the most appropriate intervention.

The evidence reported in Chapter 3 demonstrates the effectiveness of EBSMs in the short term. In 2000/01, EBSMs and similar programs delivered by the provinces/territories assisted 206,004 individuals to return to work, resulting in savings of $730.4 million in unpaid benefits.

In terms of designated group participation, results for this reporting period indicate that all groups increased their representation in EBSMs slightly. Of particular note were the results for Aboriginal peoples. Aboriginal Human Resources Development Agreement holders, in cooperation with HRDC, administered EBSMs that resulted in a 9.0% increase in returns to work for Aboriginal clients, while unpaid benefits increased 13.7% to $8.8 million in 2000/01. The increase in Aboriginal peoples returning to work and the resulting increase in unpaid benefits are attributable to an improved understanding of *AHRDS programming and service delivery* throughout the HRDC service delivery network and the Aboriginal organizations involved.

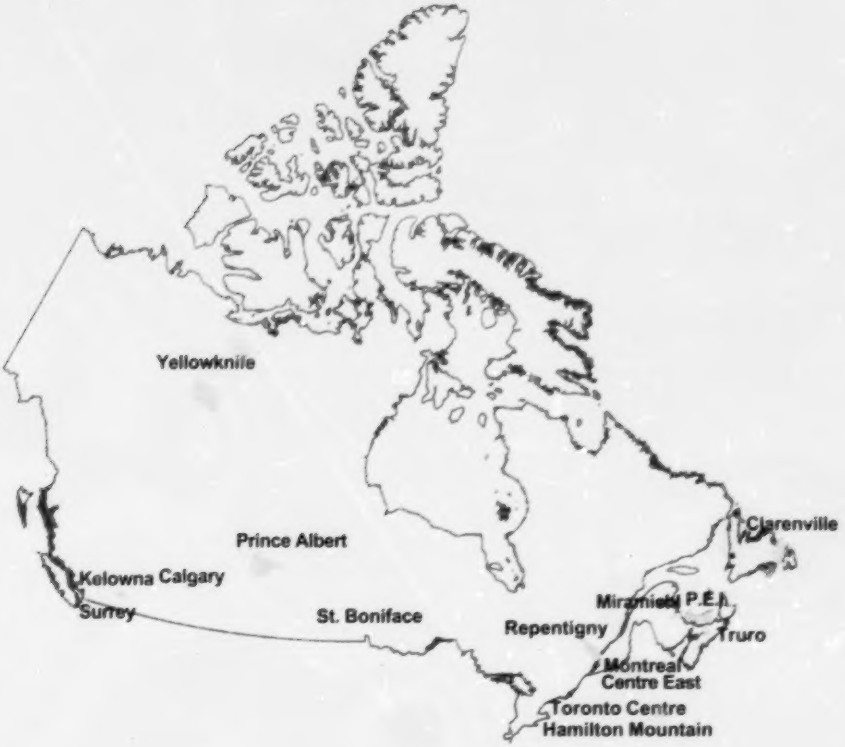
III. EI AND COMMUNITIES

The impact of EI on 14 representative communities was studied through the *Community Perspectives*[2] project in the first three Monitoring and Assessment reports. In the 2000 report, with EI more fully implemented, the analysis was adapted to focus on how the program responds to local economic and labour market conditions in each of the 14 communities. In this report, the analysis is enhanced with the addition of a socio-economic description of each of the communities in the context of EI. (Please refer to Annex 4 for individual community profiles.)

In general, positive labour market conditions have led to a decrease in EI beneficiaries in the 14 representative communities. Moreover, continued growth in full-time, full-year employment led to a decrease in frequent claimants in most communities. Still, communities that rely on seasonal industries continue to experience high levels of unemployment and frequent claimants. Resource-based and smaller industrial communities also continue to have a high incidence of frequent claimants.

A number of important economic and social trends were observed in 2000/01. For instance, in Prince Albert, diversification of the economic

The 14 EI Communities



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[2] For more information on the *Community Perspectives* project, see Chapter 4 of the *Employment Insurance 1999 Monitoring and Assessment Report*.

base has had a significant effect in reducing EI use. Similarly, working class communities such as St. Boniface and Surrey showed particularly strong reductions in EI use, as growth in nearby urban centres produced spin-off growth in these communities, particularly in retail and other sales and service industries. Increasing energy prices led to a particularly strong labour market in Calgary Centre and a consequent decline in EI use. Finally, consistent with findings at the national level, there is a high correlation between the average level of educational attainment and employment levels. Communities with higher levels of educational attainment show lower reliance on EI.

The community analysis demonstrates the EI program's responsiveness and adequacy of entitlement despite different economic realities across the country. It also highlights the income stabilization role of the EI program.

EI is specifically designed to respond rapidly and automatically to changes in local labour markets with entrance requirements being reduced and duration of benefits increased, as the unemployment rate rises. Although most communities had relatively strong economies and labour markets in 2000/01, an example of the effectiveness of the variable entrance requirements could be seen in Miramichi. The unemployment rate in Miramichi increased by 1.4 percentage points in 2000/01. In response, the variable entrance requirements decreased from 426 to 420 hours and entitlement increased by 2.4 weeks.

Similarly, the adequacy of EI duration was demonstrated in the 14 communities by the fact that, even in areas of high unemployment, claimants were using only 70% of their entitlement. In Clarenville, for example, where the unemployment rate was 21.0%, only 69.8% of entitlement was used by claimants before returning to work.

The income stabilization role of EI was also evident in the analysis of the 14 communities. In those communities with limited employment opportunities, such as Clarenville, PEI and Miramichi, EI benefits were received by 60%, 39% and 38% of wage earners, respectively, in 1999. Further, EI benefits comprised 8-10% of total employment income in these communities, four to five times the national average of 2%.

IV. SAVINGS

The EI program has undergone a number of changes over the past two years, making it difficult to assess the relative impact on savings from the 1996 reforms. In addition, the more recent changes in economic conditions impact on the benchmark against which savings are assessed. This will become even more difficult in future reporting periods. Nonetheless, the manner in which savings were reported in previous years is followed here.

Savings in the EI program are generated as a result of enhanced claimant assistance services, reductions in fraud and abuse and reduced income benefits. As noted in Chapter 4, total savings from enhanced claimant assistance services (Group Information Sessions) and from Investigation and Control activities for 2000/01 were $143.5 million and $553 million, respectively.

The redesign of EI income benefits in 1996 included several major changes to eligibility and benefit calculation systems. These changes were intended to strengthen labour force attachment and insurance principles, as well as to reduce the overall cost of the program. This report presents incremental savings captured due to the maturing of the original EI reforms.

The incremental costs of the Family Supplement are now fully mature as the Family Supplement benefit rate reached its 80% ceiling in January 2000. However, because the benefit rate in April to December 1999 was 75%, there are still some incremental costs related to the Family Supplement during this reporting period.

The intensity provision was removed effective October 1, 2000. Therefore incremental savings resulting from the intensity rule are reported for the period from April 2000 to September 2000. Additionally, any incremental savings from the 1996 Maximum Insurable Earnings (MIE) freeze ended on December 31, 2000.

The "net effect" of the maturing of the Family Supplement, the intensity provision and the continuing freeze on the MIE has been estimated using administrative data. Results indicate that the maturing of these provisions reduced costs by an additional $66 million or 0.7% of EI payments over the reporting period.

The MIE freeze and the maturing of the intensity provision affect men more than women because men tend to have higher wages and are more likely than women to be frequent claimants. The Family Supplement, on the other hand, affects women more than men because women tend to have lower incomes. As a result, the net impact of the maturing elements of EI from 1999/00 to 2000/01 was to reduce payments to men by $51 million and to women by $15 million. This represented a reduction of 1.0% in EI payments to men and 0.4% to women.

Since the benefit repayment (clawback) provision is delivered through the tax system, final information does not become available until one year after the tax year for which benefits are repaid. Consequently, 1999 data is the latest data available and, therefore, does not reflect the changes to the benefit repayment provision under Bill C-2. That said, incremental savings attributed to the clawback were $66 million in 1999. These savings translated into a reduction of $60 million in benefits for men and $6 million for women.

Including the incremental savings to income benefits for 2000/01, total savings from the original EI reform package met the 10% reduction in EI costs expected under the 1996 reform.

V. SUMMING UP

Results show that EI remains an important program for working Canadians and their families. There were nearly 2 million new claims for EI in 2000/01. Moreover, the responsiveness of EI to changes in economic and labour market conditions was evident in 2000/01. While most of the period since the 1996 reforms has been characterized by strong economic and employment growth, the final quarter of the 2000/01 reporting period reflected an economic slowdown and, consequently, a substantial increase in the demand for EI. This was particularly noticeable among first-time and occasional claimants and those with long durations of insurable employment. Furthermore, despite varying unemployment rates across the country, the variable entrance requirements have ensured appropriate responsiveness from the program to the slowdown in economic growth by providing comparable rates of coverage across all regions.

Overall, the EI program continues to meet its primary objective of providing income support for people who temporarily lose their jobs and helping them return to work. Additionally, in this reporting period, the program has also enhanced the support that it provides to parents by offsetting their income loss when they interrupt their work to care for newborn or newly adopted children. It was adjusted to remain responsive to the needs of Canadians by modifying provisions of the 1996 reform that needed adjustments.

ANNEX 1

UI/EI Legislative History

The first attempt to establish a Canadian unemployment insurance program came during the depression of the 1930s. The *Employment and Social Insurance Act*, passed in 1935, was found to be unconstitutional since the federal government did not have sole jurisdiction over this area. In 1940, the Government of Canada consulted the provinces and received unanimous approval to amend section 91 of the *British North America Act*, to provide the necessary authority for the federal government to establish an unemployment insurance program. The constitutional amendment was effective July 10, 1940. The Government then introduced and quickly passed the *Unemployment Insurance (UI) Act*, which received Royal Assent on August 7, 1940. The UI program was based on strong insurance principles and was intended to provide income protection for employees. It provided greater protection for those with below average earnings, while those with higher incomes were expected to provide a greater degree of self-insurance. In addition, the program covered only those workers who faced an unpredictable risk of job loss. Industries that faced little risk of unemployment (e.g., public service) and industries with repeated unemployment (e.g., seasonal industries) were not covered. The program also included a higher benefit rate for claimants with dependants.

In an effort to make UI more effective in providing financial support to the unemployed, a revised UI Act was introduced in 1955. In broad terms, the new Act contained a number of departures from the original. It increased benefit levels and eased qualifying conditions. Additionally, Supplementary benefits (which allowed individuals who had exhausted their regular benefits to receive benefits at a lower rate for fixed periods) were integrated with ordinary benefits, to form the seasonal benefit.

A major reform of the UI Act occurred in 1971, following the release of the White Paper on Unemployment Insurance in 1970. In response to the paper, the UI Act of 1971 (Bill C-229) was introduced, which incorporated many of the White Paper's recommendations. In recognition of rising unemployment rates and the increasing cost of living, eligibility requirements were reduced and benefits increased. A key element of the 1971 reforms was the introduction of a uniform (8-week) entrance requirement. Coverage was also extended to the public sector and to anyone employed for 20 or more hours per week at the applicable provincial minimum wage. At the same time, UI sickness, maternity and retirement benefits were introduced for workers with at least 20 weeks of insured employment. Furthermore, UI was made more sensitive to local labour market conditions through the introduction of extended benefits for regions with high unemployment. Additionally, a three-week special severance benefit, available to retiring insured workers who qualified for the Canada Pension Plan or the Quebec Pension Plan, and a dependency benefit rate of 75% for low-income earners were introduced. Reliance on the fund was to be deterred by treating UI benefits as taxable income.

Amendments were made to the UI Act (Bill C-69) in 1975 to respond to concerns that the program was reducing the incentive to work. To improve work incentives, the Act eliminated a three-week advance payment provision for claimants with strong labour force attachment, and removed the dependency benefit rate. In addition, the disqualification period for voluntary quits was increased from three to six weeks. Furthermore, to reflect the standard working age, the maximum age at which an individual was insurable was reduced from 70 to 65.

Another comprehensive review of the UI program took place in 1977. In response to the recommendations, Bill C-27, the *Employment and Immigration Reorganization Act* was introduced. Among other things, Bill C-27 merged the Unemployment Insurance Commission with Manpower and Immigration to form Employment and Immigration Canada. Entrance requirements were tightened and the duration of benefits was reduced. At the same time, however, greater emphasis was placed on re-employment through developmental uses of UI, such as income maintenance for claimants on approved training, job creation and work sharing. There was also recognition that not all regions faced the same employment prospects. As a result, variable entrance requirements, ranging from 10 to 14 weeks, were introduced to better reflect local unemployment rates.

Further amendments to decrease disincentives to work and reduce reliance on UI became effective on January 1, 1979, under Bill C-14. Benefit repayment provisions were introduced, effective for the 1979 tax year and the benefit rate was lowered to 60% from 66%. To further reduce reliance on UI, Bill C-14 included provisions requiring more work effort from new entrants and re-entrants in order to qualify for benefits. Similarly, repeat claimants required up to six extra weeks of work to qualify for benefits.

In 1983, Bill C-156 introduced 15 weeks of adoption benefits, effective January 1, 1984. In addition, maternity benefits were simplified and adjusted to conform to the *Canadian Human Rights Act*.

Bill C-21, introduced in 1989, made several changes to the UI program. Firstly, it provided for 10 weeks of parental benefits in addition to the existing maternity benefits, payable to either men or women. These benefits replaced both paternity benefits, introduced in 1988, and adoption benefits, introduced in 1984. This bill also broadened special benefits (maternity, parental, sickness) to provide for a total of 30 weeks of combined special benefits. Secondly, Bill C-21 extended coverage to those aged 65 and over and, in turn, eliminated the three-week lump sum for retirement, as claimants of any age were expected to be available for work. Thirdly, a one-phase benefit structure, based on the number of insured weeks and the unemployment rate in the economic region, was introduced. Fourthly, disqualifications for voluntary leaving and misconduct were expanded. Lastly, Bill C-21 recognized that sweeping structural change in the economy made it less reasonable to assume that an unemployed worker would find a job in the same occupation or industry. To address this issue, a greater proportion of funds was allocated to active employment measures, such as occupational training, to help claimants return to work more quickly.

In 1993, the Government introduced Bill C-113 to reduce program costs and avoid a greater deficit in the UI account, which would have resulted in a $0.30 increase in premium rates under the "statutory rate" provision. To achieve this, those who voluntarily left their employment were no longer eligible to collect benefits. Furthermore, the replacement rate was reduced from 60% to 57% under Bill C-113.

Bill C-17 was introduced in 1994 and further reduced the replacement rate to 55%, with the exception of low-income individuals with children, who received a replacement rate of 60%. A 12-week minimum entrance requirement and reduced duration were also introduced under Bill C-17.

The *Employment Insurance (EI) Act*, 1996 (Bill C-12) redesigned income benefits to promote greater labour force attachment and to introduce stronger insurance principles into the system. It also placed a greater emphasis on re-employment measures. Under EI, eligibility was based on hours of work, rather than weeks, in order to allow more part-time workers to become eligible for benefits. Changes also included a new benefit structure and new rules for frequent claimants, as well as stricter eligibility requirements for new and re-entrants to the labour market. At the same time, the impact on low-income families with children was softened through the introduction of the Family Supplement. Furthermore, the Government of Canada made an offer to all provinces and territories to develop federal-provincial-territorial partnerships in order to respond to different labour market needs and circumstances across the country. The amount allocated to Employment Benefits and Support Measures was $1.575 billion in 1996/97. Similar programs and services were provided in provinces/territories that did not establish a partnership.

In 2000, Bill C-32 expanded parental benefits from 10 to 35 weeks, giving parents up to one year of combined maternity and parental benefits. Bill C-32 recognized the importance of the early years in the intellectual, emotional and social development of children and supported parents in balancing the demands of work and family during a child's critical first year. In addition, it reduced the number of hours of insurable employment required to qualify for maternity, parental or sickness benefits from 700 to 600 hours. In order to improve flexibility, a second parent sharing parental leave was no longer required to serve a second two-week waiting period and parents were able to earn the greater of $50 or 25% of their weekly parental benefit without a reduction in their EI benefits.

As a result of evidence from the Monitoring and Assessment reports, and to ensure that the EI program continued to reflect the changing needs of the economy, the labour market and workers, Bill C-2 was introduced in February 2001, replacing Bill C-44, which was halted with the dissolution of Parliament in the fall of 2000. Bill C-2 eliminated the intensity rule, retroactive to October 1, 2000. Effective in the 2000 tax year, the benefit repayment provisions were adjusted to focus more clearly on repeat regular and fishing claimants with higher incomes. Adjustments were also made to re-entrant rules for parents returning to the workforce, retroactive to October 1, 2000. Under the new rules, parents who temporarily withdrew from the labour force to raise children, and who were in receipt of maternity or parental benefits in the previous six years, are no longer considered new entrants. Finally, Bill C-2 included an extension of the Monitoring and Assessment report to 2006. Additionally, the date on which the report must be submitted to the Minister was extended from December 31 to March 31, to allow more time for consultations with the provinces.

Further adjustments were made to EI in 2001. Small weeks became a national and permanent part of the program on November 18, 2001 and changes to undeclared earnings became effective on August 12, 2001.

ANNEX 2

Income Benefits Data Tables

2.1 Unemployment Rates by EI Region

2.2 Total Income Benefits

2.3 Total Income Benefits by Industry

2.4 Regular Benefits

2.5 Distribution of Claims for Regular Benefits by Duration of Insured Employment

2.6 Fishing Benefits

2.7 Frequent Claimants

2.8 Special Benefits

2.9 Maternity Benefits

2.10 Parental Benefits (Biological)

2.11 Parental Benefits (Adoptive)

2.12 Sickness Benefits

2.13 Family Supplement

2.14 Working While on Claim

2.15 Benefit Repayment Provision (Clawback)

2.16 Claims Affected by the Intensity Rule

Unemployment Rates by EI Region (%)

	June 1999	Sept. 1999	Dec. 1999	March 2000	June 2000	Sept. 2000	Dec. 2000	March 2001
Newfoundland/Labrador								
St. John's	8.8	9.8	10.5	9.9	9.2	9.3	8.9	8.3
Newfoundland/Labrador	22.1	20.6	19.1	21.5	20.1	20.3	22.3	21.2
Prince Edward Island								
Prince Edward Island	14.5	14.1	13.1	11.8	11.3	12.3	12.9	11.4
Nova Scotia								
Eastern Nova Scotia	16.0	18.7	19.3	18.8	15.4	18.7	16.5	16.4
Central Nova Scotia	11.6	9.8	9.8	10.6				
Western Nova Scotia					8.9	9.8	10.0	9.6
Halifax	6.9	6.3	7.4	6.4	5.5	6.2	6.0	7.3
Kings	7.6	7.5	8.8	8.8				
Yarmouth	11.8	11.3	12.3	9.6				
New Brunswick								
Fredericton-Moncton-St John	6.6	6.6	7.0	7.1	7.5	8.1	7.6	8.6
Madawaska-Charlotte					10.2	13.9	14.2	15.5
Restigouche-Albert					16.1	15.5	15.6	17.3
Restigouche-Charlotte	14.3	13.8	13.8	13.3				
Quebec								
Gaspésie--Îles-de-la-Madeleine					20.1	19.0	20.9	21.6
Eastern Quebec	13.4	13.9	13.4	13.8				
Quebec	8.8	8.6	8.7	8.6	8.3	8.7	6.8	7.1
Trois-Rivières	12.2	11.4	9.6	9.9	10.7	11.3	10.0	9.5
Quebec Centre South	7.6	7.1	5.9	5.3	5.3	5.0	6.8	5.3
Sherbrooke	9.9	9.0	9.7	8.7	8.7	7.5	7.7	8.7
Monteregie	8.7	8.4	8.0	6.3	7.5	6.8	6.4	7.3
Montreal	9.6	8.9	7.4	7.1	7.7	7.8	7.9	8.0
Central Quebec	11.1	11.3	10.6	11.1	11.2	10.2	9.8	10.2
North Western Quebec					17.7	16.7	15.7	16.7
Western Quebec	16.8	13.4	13.3	14.8				
Bas-Saint-Laurent--Côte-Nord					11.2	16.8	18.2	18.9
Northern Quebec	16.7	17.3	15.4	17.0				
Hull	7.1	7.6	7.4	6.1	4.9	6.8	5.7	6.8
Chicoutimi-Jonquiere	12.8	11.4	10.9	10.3	9.7	8.8	10.1	10.5
Ontario								
Ottawa	7.6	7.1	5.2	5.9	5.3	5.8	4.9	4.4
Eastern Ontario	8.3	8.6	8.1	7.8	7.5	7.2	5.9	7.7
Kingston					7.4	5.9	5.2	6.6
North Central Ontario	7.0	7.2	6.5	6.3				
Central Ontario					5.7	6.1	5.1	4.8
Oshawa	6.6	6.0	5.4	5.6	5.7	5.8	5.6	5.4
Toronto	6.8	6.3	5.5	5.4	5.3	5.4	5.7	5.8
Hamilton	4.1	5.7	5.1	4.5	4.7	4.5	5.9	5.9
St. Catharines	6.6	6.8	7.4	5.9	5.6	5.5	6.6	7.6
London	7.4	7.4	5.7	5.6	6.3	6.1	6.0	6.1

2.1

Unemployment Rates by EI Region (%)

	June 1999	Sept. 1999	Dec. 1999	March 2000	June 2000	Sept. 2000	Dec. 2000	March 2001
Newfoundland/Labrador								
St. John's	8.8	9.8	10.5	9.9	9.2	9.3	8.9	8.3
Newfoundland/Labrador	22.1	20.6	19.1	21.5	20.1	20.3	22.3	21.2
Prince Edward Island								
Prince Edward Island	14.5	14.1	13.1	11.8	11.3	12.3	12.9	11.4
Nova Scotia								
Eastern Nova Scotia	16.0	18.7	19.3	18.8	15.4	18.7	16.5	16.4
Central Nova Scotia	11.6	9.8	9.8	10.6				
Western Nova Scotia					8.9	9.8	10.0	9.6
Halifax	6.9	6.3	7.4	6.4	5.5	6.2	6.0	7.3
Kings	7.6	7.5	8.8	8.8				
Yarmouth	11.8	11.3	12.3	9.6				
New Brunswick								
Fredericton-Moncton-St John	6.6	6.6	7.0	7.1	7.5	8.1	7.6	8.6
Madawaska-Charlotte					10.2	13.9	14.2	15.5
Restigouche-Albert					16.1	15.5	15.6	17.3
Restigouche-Charlotte	14.3	13.8	13.8	13.3				
Quebec								
Gaspésie--Îles-de-la-Madeleine					20.1	19.0	20.9	21.6
Eastern Quebec	13.4	13.9	13.4	13.8				
Quebec	8.8	8.6	8.7	8.6	8.3	8.7	6.8	7.1
Trois-Rivières	12.2	11.4	9.6	9.9	10.7	11.3	10.0	9.5
Quebec Centre South	7.6	7.1	5.9	5.3	5.3	5.0	6.8	5.3
Sherbrooke	9.9	9.0	9.7	8.7	8.7	7.5	7.7	8.7
Monteregie	8.7	8.4	8.0	6.3	7.5	6.8	6.4	7.3
Montreal	9.6	8.9	7.4	7.1	7.7	7.8	7.9	8.0
Central Quebec	11.1	11.3	10.6	11.1	11.2	10.2	9.8	10.2
North Western Quebec					17.7	16.7	15.7	16.7
Western Quebec	16.8	13.4	13.3	14.8				
Bas-Saint-Laurent--Côte-Nord					11.2	16.8	18.2	18.9
Northern Quebec	16.7	17.3	15.4	17.0				
Hull	7.1	7.6	7.4	6.1	4.9	6.8	5.7	6.8
Chicoutimi-Jonquiere	12.8	11.4	10.9	10.3	9.7	8.8	10.1	10.5
Ontario								
Ottawa	7.6	7.1	5.2	5.9	5.3	5.8	4.9	4.4
Eastern Ontario	8.3	8.6	8.1	7.8	7.5	7.2	5.9	7.7
Kingston					7.4	5.9	5.2	6.6
North Central Ontario	7.0	7.2	6.5	6.3				
Central Ontario					5.7	6.1	5.1	4.8
Oshawa	6.6	6.0	5.4	5.6	5.7	5.8	5.6	5.4
Toronto	6.8	6.3	5.5	5.4	5.3	5.4	5.7	5.8
Hamilton	4.1	5.7	5.1	4.5	4.7	4.5	5.9	5.9
St. Catharines	6.6	6.8	7.4	5.9	5.6	5.5	6.6	7.6
London	7.4	7.4	5.7	5.6	6.3	6.1	6.0	6.1

2.1

Unemployment Rates by EI Region (%)[1]

	June 1999	Sept. 1999	Dec. 1999	March 2000	June 2000	Sept. 2000	Dec. 2000	March 2001
Ontario								
Niagara	8.9	8.6	5.9	7.5	7.6	7.5	7.8	7.1
Windsor	5.7	6.3	7.2	5.9	5.3	4.6	5.5	6.7
Kitchener	7.0	4.9	5.1	5.4	4.8	5.8	6.3	5.9
Huron	6.4	7.0	6.7	5.4	6.3	7.9	8.6	10.0
South Central Ontario	5.3	4.1	3.8	3.7	3.5	3.9	4.6	4.0
Sudbury	11.1	10.5	8.8	8.7	7.2	8.4	8.6	7.7
Thunder Bay	9.5	8.7	6.2	6.0	5.7	7.7	7.2	7.8
Northern Ontario	14.0	11.8	11.2	12.5	11.1	12.6	13.8	12.7
Manitoba								
Winnipeg	5.5	5.9	5.7	5.7	5.4	5.2	5.0	5.0
Southern Manitoba	5.6	6.3	5.4	5.7	4.6	5.0	5.4	5.0
Northern Manitoba	21.7	21.5	19.2	22.2	21.9	22.8	22.3	22.6
Saskatchewan								
Regina	5.4	5.6	5.4	4.7	4.9	5.2	4.8	5.3
Saskatoon	6.9	7.1	6.2	4.9	5.9	6.0	5.4	5.9
Southern Saskatchewan	7.7	6.4	6.6	5.8	5.9	6.4	6.7	6.2
Northern Saskatchewan	13.5	12.9	13.2	13.2	12.6	13.6	13.6	14.3
Alberta								
Calgary	5.5	6.2	5.5	4.8	5.1	4.5	4.1	4.8
Edmonton	6.1	6.3	5.6	5.4	5.3	6.2	5.8	5.3
Northern Alberta					9.6	10.8	9.9	8.7
Southern Alberta					6.3	6.8	6.4	6.2
Alberta	8.0	7.3	6.6	6.9				
British Columbia								
Southern Interior BC	10.9	9.5	9.2	9.4	10.8	10.7	10.1	9.5
Abbotsford					7.0	9.4	7.9	7.0
Vancouver	7.9	8.4	7.4	6.3	5.6	6.1	6.0	6.0
Victoria	7.5	7.0	6.2	6.5	6.8	8.2	7.3	6.2
Southern Coastal BC	9.0	9.2	9.1	8.8	8.7	11.0	10.2	10.1
Northern BC	12.0	12.0	10.8	10.6	11.6	13.6	13.1	12.1
Territories[2]								
Yukon/NWT	25.0	25.0	25.0	25.0				
Yukon					25.0	25.0	25.0	25.0
Northwest Territories					25.0	25.0	25.0	25.0
Nunavut					25.0	25.0	25.0	25.0
CANADA	**8.4**	**7.6**	**7.6**	**7.2**	**7.2**	**7.4**	**7.4**	**7.4**

Source: Labour Force Survey

Shaded regions indicate those that participated in the Small Weeks adjustment projects.

[1] With the boundary change, effective July 31, 2000, the number of EI regions increased from 54 to 58 and the number of small weeks regions increased from 32 to 34.

[2] The Yukon, Northwest Territories and Nunavut unemployment rates are set at 25% for EI purposes since the territories are not included in the Labour Force Survey.

2.1

Unemployment Rates by EI Region (%)[1]

	June 1999	Sept. 1999	Dec. 1999	March 2000	June 2000	Sept. 2000	Dec. 2000	March 2001
Ontario								
Niagara	8.9	8.6	5.9	7.5	7.6	7.5	7.8	7.1
Windsor	5.7	6.3	7.2	5.9	5.3	4.6	5.5	6.7
Kitchener	7.0	4.9	5.1	5.4	4.8	5.8	6.3	5.9
Huron	6.4	7.0	6.7	5.4	6.3	7.9	8.6	10.0
South Central Ontario	5.3	4.1	3.8	3.7	3.5	3.9	4.6	4.0
Sudbury	11.1	10.5	8.8	8.7	7.2	8.4	8.6	7.7
Thunder Bay	9.5	8.7	6.2	6.0	5.7	7.7	7.2	7.8
Northern Ontario	14.0	11.8	11.2	12.5	11.1	12.6	13.8	12.7
Manitoba								
Winnipeg	5.5	5.9	5.7	5.7	5.4	5.2	5.0	5.0
Southern Manitoba	5.6	6.3	5.4	5.7	4.6	5.0	5.4	5.0
Northern Manitoba	21.7	21.5	19.2	22.2	21.9	22.8	22.3	22.6
Saskatchewan								
Regina	5.4	5.6	5.4	4.7	4.9	5.2	4.8	5.3
Saskatoon	6.9	7.1	6.2	4.9	5.9	6.0	5.4	5.9
Southern Saskatchewan	7.7	6.4	6.6	5.8	5.9	6.4	6.7	6.2
Northern Saskatchewan	13.5	12.9	13.2	13.2	12.6	13.6	13.6	14.3
Alberta								
Calgary	5.5	6.2	5.5	4.8	5.1	4.5	4.1	4.8
Edmonton	6.1	6.3	5.6	5.4	5.3	6.2	5.8	5.3
Northern Alberta					9.6	10.8	9.9	8.7
Southern Alberta					6.3	6.8	6.4	6.2
Alberta	8.0	7.3	6.6	6.9				
British Columbia								
Southern Interior BC	10.9	9.5	9.2	9.4	10.8	10.7	10.1	9.5
Abbotsford					7.0	9.4	7.9	7.0
Vancouver	7.9	8.4	7.4	6.3	5.6	6.1	6.0	6.0
Victoria	7.5	7.0	6.2	6.5	6.8	8.2	7.3	6.2
Southern Coastal BC	9.0	9.2	9.1	8.8	8.7	11.0	10.2	10.1
Northern BC	12.0	12.0	10.8	10.6	11.6	13.6	13.1	12.1
Territories[2]								
Yukon/NWT	25.0	25.0	25.0	25.0				
Yukon					25.0	25.0	25.0	25.0
Northwest Territories					25.0	25.0	25.0	25.0
Nunavut					25.0	25.0	25.0	25.0
CANADA	8.4	7.6	7.6	7.2	7.2	7.4	7.4	7.4

Source: Labour Force Survey

Shaded regions indicate those that participated in the Small Weeks adjustment projects.

1. With the boundary change, effective July 31, 2000, the number of EI regions increased from 54 to 58 and the number of small weeks regions increased from 32 to 34.
2. The Yukon, Northwest Territories and Nunavut unemployment rates are set at 25% for EI purposes since the territories are not included in the Labour Force Survey.

Total Income Benefits

	New Claims[1]					Average Weekly Benefit					Amount Paid[2]				
	2000/ 2001 (000)	Percentage Change				2000/ 2001 ($)	Percentage Change				2000/ 2001 ($M)	Percentage Change			
		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1990/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98
Province/Territory															
Newfoundland and Labrador	87	1.8	-2.9	8.6	-5.9	287	5.8	2.5	0.1	-3.0	607.8	2.4	0.4	6.9	-6.3
Prince Edward Island	24	4.4	-4.1	1.7	-2.6	272	5.6	2.1	0.9	-3.5	148.6	4.1	-4.5	1.5	-6.6
Nova Scotia	87	2.9	-1.1	-1.5	-11.8	276	3.5	1.9	1.8	-1.2	492.4	4.0	-3.3	2.8	-16.7
New Brunswick	93	0.3	-2.4	0.1	-8.6	276	5.7	2.6	0.3	-3.3	543.9	2.0	-5.9	4.0	-15.1
Quebec	557	2.1	-2.2	-5.4	-11.1	286	4.3	0.8	1.1	0.5	2,892.7	-0.4	-6.1	-2.7	-16.3
Ontario	477	7.8	-9.1	-1.5	-19.3	312	4.0	1.4	2.2	0.4	2,361.9	1.7	-10.5	-5.8	-15.9
Manitoba	55	0.2	-6.2	5.3	-15.2	280	2.2	3.0	3.1	1.1	264.0	-1.7	-1.4	4.1	-16.8
Saskatchewan	43	-1.7	-9.5	14.6	-17.7	289	3.1	-0.4	4.6	3.2	230.0	1.5	-5.8	23.4	-19.4
Alberta	120	-6.5	-14.0	20.0	-21.4	306	3.9	-2.3	5.5	1.7	625.3	-12.2	-5.3	28.4	-32.1
British Columbia	206	-0.5	-12.1	0.1	10.0	306	3.2	-0.4	0.6	0.0	1,095.5	-7.1	-13.2	6.9	-11.5
Nunavut	1	-5.7	N/A	N/A	N/A	338	1.2	N/A	N/A	N/A	8.1	-11.3	N/A	N/A	N/A
Northwest Territories	2	-11.5	-4.2	13.0	-14.6	341	0.6	-1.0	2.2	2.2	17.5	-8.7	-2.5	16.4	-13.7
Yukon	3	-8.4	-1.4	-12.0	3.3	342	-0.5	2.4	-1.6	3.8	20.2	-6.1	-12.6	7.4	0.8
Sex															
Men	957	4.6	-9.8	1.6	-13.9	326	3.9	0.3	1.4	-0.8	5,410.6	-0.9	-10.5	4.0	-17.8
Women	797	-0.1	-2.6	-1.7	-13.9	259	3.8	2.3	2.1	1.3	3,897.3	-1.2	-2.9	-2.1	-13.6
Age															
Under 25	235	2.5	-6.8	3.4	-20.9	242	5.1	1.5	4.6	2.0	978.7	-0.4	-6.4	6.7	-22.8
25 to 44	1,008	0.4	-8.0	-0.5	-15.2	305	3.8	0.8	2.2	-0.5	5,603.0	-2.8	-7.8	0.6	-17.5
44 to 54	343	6.8	-4.1	0.7	-6.3	305	4.6	-0.2	0.9	-1.1	1,784.3	2.6	-6.7	2.1	-9.3
55 and over	169	5.7	-2.3	-2.1	-8.1	296	4.3	-0.3	0.1	-0.6	941.9	2.5	-7.4	0.6	-11.6
EI History[3]															
First-Time Claimants	682	7.3	-3.2	6.1	-10.0	283	3.4	0.7	1.5	1.8	3,559.6	0.0	-3.0	5.2	-11.0
Occasional Claimants	534	3.3	-7.2	-0.7	-20.2	288	4.8	1.0	4.0	0.9	2,676.6	-0.4	-7.3	0.8	-21.4
Frequent Claimants	539	-4.0	-9.7	-5.0	-11.7	320	5.1	0.5	1.2	-2.6	3,071.7	-2.6	-12.1	-1.5	-16.3
NATIONAL	**1,754**	**2.4**	**-6.6**	**0.1**	**-13.9**	**296**	**4.1**	**0.6**	**1.9**	**0.0**	**9,307.9**	**-1.0**	**-7.4**	**1.5**	**-16.1**

Source: EI Administrative Data
N/A = not applicable

1. Includes claims on which at least $1 of EI benefits was paid.
2. Amount Paid represents benefit payments under regular, fishing, special (sickness, maternity, parental/adoption), employment (sec. 25 of EI Act) and worksharing benefits. Payments under Part II of the EI Act are not included.
3. First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who have had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.

2.3

Total Income Benefits by Industry

	2000/2001 ($M)	Percentage Change			
		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98
Primary					
Agriculture	205	-0.5	-8.7	4.2	-17.2
Fishing and Trapping	113	5.4	-7.1	70.4	-12.9
Fish Harvesting (self-employed)[1]	252	7.1	-1.3	1.8	1.2
Logging and Forestry	262	-3.6	-17.1	11.9	-5.9
Mining	158	-15.8	-25.7	52.2	-10.3
Manufacturing	1,625	2.8	-5.9	1.9	-18.8
Construction	1,366	-1.0	-12.8	1.4	-21.4
Transportation, Storage and Communications					
Transportation and Storage	349	-7.2	-9.3	2.0	-8.3
Communications	141	-18.6	-6.0	-10.1	-2.9
Trade and Commerce					
Wholesale Trade[2]	494	5.3	-28.6	9.1	8.2
Retail Trade	645	-5.0	-5.2	-3.4	-22.0
Finance, Insurance and Real Estate					
Finance and Insurance	232	-6.0	4.6	-16.2	2.5
Real Estate	110	-1.8	-11.9	7.7	-18.7
Community, Business and Personal Services					
Business Services	643	1.9	-5.5	9.9	-11.0
Education	460	-6.3	2.1	-9.5	-13.6
Health and Social Services	483	-5.8	-7.4	-10.4	-14.5
Accomodation, Food and Beverage Services	431	-1.9	-7.0	-4.3	-10.6
Other Services	593	-1.3	-11.8	8.2	-15.2
Public Administration					
Government Services[2]	602	3.6	44.4	-7.4	-46.7
Unclassified	145	14.4	-5.8	-7.9	-4.0
ALL INDUSTRIES	**9,308**	**-1.0**	**-7.4**	**1.5**	**-16.1**

Source: EI Administrative Data

1. Includes fishing benefits paid to self-employed fishers as well as other types of benefits collected by these claimants, such as special benefits and employment benefits (Part II).
2. There were changes to the process for assigning classification codes in 1999/00 to these sectors that affect results reported.

Regular Benefits

	New Claims[1]					Average Weekly Benefit					Amount Paid[2]				
	2000/ 2001 (000)	Percentage Change				2000/ 2001 ($)	Percentage Change				2000/ 2001 ($M)	Percentage Change			
		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1990/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98
Province/Territory															
Newfoundland and Labrador	70	0.4	-3.9	7.7	-10.0	273	6.4	0.4	-0.9	-2.7	449.1	-1.0	0.0	4.6	-10.0
Prince Edward Island	20	3.0	-6.4	0.6	-1.8	260	6.1	1.4	0.7	-2.2	109.8	3.2	-8.3	2.6	-7.0
Nova Scotia	71	2.6	-1.6	-1.0	-14.1	274	4.3	2.4	3.1	-0.3	386.0	5.5	-4.0	5.3	-19.0
New Brunswick	79	-0.8	-4.2	0.1	-11.1	277	6.4	2.6	0.1	-3.1	450.4	1.8	-7.6	3.5	-17.0
Quebec	471	0.2	-3.2	-5.4	-14.0	288	4.7	0.8	0.9	0.8	2,304.5	-2.7	-6.6	-4.5	-17.0
Ontario	345	8.4	-13.0	-3.4	-23.7	316	5.0	1.4	2.5	1.1	1,559.1	2.4	-15.4	-8.8	-19.0
Manitoba	40	-2.3	-7.8	4.3	-20.0	284	2.5	2.1	4.5	1.8	176.9	-4.1	-4.1	6.5	-22.0
Saskatchewan	33	-3.2	-10.9	15.8	-22.6	296	3.6	-1.1	4.4	5.2	169.9	-0.1	-6.1	28.4	-24.0
Alberta	83	-12.2	-18.6	25.6	-29.8	315	4.5	-2.8	6.4	3.1	411.2	-18.1	-8.2	39.1	-41.0
British Columbia	156	-3.1	-13.7	-2.3	-13.0	309	4.0	-0.4	0.7	0.4	782.2	-10.2	-14.9	6.4	-13.0
Nunavut	1	-2.2	-8.3	-11.3	2.2	334	1.0	N/A	N/A	N/A	6.1	-11.3	N/A	N/A	N/A
Northwest Territories	2	-17.3	N/A	N/A	N/A	340	1.5	-1.6	1.0	3.1	12.4	-15.0	-0.9	24.8	-19.2
Yukon	2	-6.1	-2.4	19.4	-23.2	343	0.2	1.4	-1.6	4.7	16.3	-8.5	-18.3	13.1	0.7
Sex															
Men	831	3.1	-11.0	1.5	-16.2	326	4.2	0.1	1.4	-0.7	4,610.9	-2.0	-11.2	3.4	-19.0
Women	541	-2.5	-4.7	-3.8	-19.5	252	4.9	2.2	1.8	2.0	2,223.2	-4.2	-5.4	-5.3	-18.0
Age															
Under 25	177	0.0	-9.4	3.2	-27.2	247	5.6	1.1	4.9	3.1	675.2	-2.6	-9.1	5.9	-28.0
25 to 44	758	-1.4	-10.5	-1.2	-19.3	305	4.6	0.5	2.3	-0.1	3,828.5	-5.1	-10.2	-0.5	-21.0
45 to 54	294	5.3	-5.0	0.0	-8.0	306	4.8	-0.3	0.9	-1.1	1,517.0	1.1	-7.8	1.5	-10.0
55 and over	143	4.7	-2.7	-3.7	-9.6	296	4.6	-0.4	0.0	-0.2	813.4	1.8	-8.5	-0.8	-12.0
EI History[3]															
First-Time Claimants	430	6.1	-6.5	6.4	-16.9	279	4.5	0.5	1.8	3.6	2,075.3	-2.9	-5.6	4.5	-15.0
Occasional Claimants	442	2.6	-8.4	-1.0	-23.7	290	5.4	0.6	3.9	1.1	2,062.0	-1.6	-8.3	-0.2	-24.0
Frequent Claimants	500	-4.8	-10.1	-5.0	-12.7	319	5.2	0.3	1.2	-2.4	2,696.8	-3.5	-12.8	-1.7	-17.0
NATIONAL	**1,372**	**0.8**	**-8.5**	**-0.6**	**-17.6**	**297**	**4.8**	**0.4**	**1.9**	**0.5**	**6,834.1**	**-2.7**	**-9.4**	**0.5**	**-19.0**

Source: EI Administrative Data

N/A = not applicable

1. Includes claims on which at least $1 of regular benefits was paid.
2. Amount paid includes Family Supplement top-ups paid to regular claimants.
3. First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who have had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.

Distribution of Claims for Regular Benefits by Duration of Insured Employment[1]

	New Claims[2] 2000/2001			Percentage Change 1999/00 - 2000/01			Percentage Change 1998/99 - 1999/00			Percentage Change 1997/98[3] - 1998/99			Percentage Change 1995/96 - 1997/98		
	Short spells[4]	Medium spells[5]	Long spells[6]	Short spells[4]	Medium spells[5]	Long spells[6]	Short spells[4]	Medium spells[5]	Long spells[6]	Short spells[4]	Medium spells[5]	Long spells[6]	Short spells[4]	Medium spells[5]	Long spells[6]
Province/Territory															
Newfoundland and Labrador	7,890	41,700	20,090	-6.0	-2.1	9.2	-13.6	-4.6	2.9	7.5	12.5	-2.5	-56.4	6.3	11.2
Prince Edward Island	1,850	12,100	5,860	3.4	0.4	8.7	-19.7	-4.4	-5.6	1.4	-3.6	10.9	-66.0	19.5	52.8
Nova Scotia	5,060	40,320	25,950	-4.3	0.1	8.4	1.0	-1.2	-2.8	-6.9	1.2	-3.1	-59.4	-11.9	8.0
New Brunswick	4,370	49,180	25,930	-15.6	-3.8	8.9	-18.9	-4.4	0.0	-10.1	1.7	-0.4	-70.8	4.7	22.7
Quebec	25,060	266,170	179,440	0.7	-3.2	5.7	-5.8	-3.1	-2.9	-2.3	-0.6	-12.7	-47.2	-14.6	-5.0
Ontario	11,070	167,590	166,510	-7.4	0.2	19.5	-13.6	-9.2	-17.1	10.5	-4.3	-3.5	-41.7	-27.0	-17.8
Manitoba	1,780	21,970	15,840	-15.6	-6.7	6.5	13.4	-3.9	-15.4	18.5	1.8	6.5	-52.0	-20.2	-14.1
Saskatchewan	1,150	18,520	13,130	-2.5	-4.7	-1.1	-18.6	-2.8	-20.0	79.0	2.7	31.9	-62.1	-27.3	-7.2
Alberta	2,200	41,620	39,090	-29.7	-13.9	-9.1	-8.5	-11.5	-25.9	13.2	13.7	40.3	-52.1	-32.4	-23.8
British Columbia	6,720	84,840	64,120	-15.9	-6.2	3.2	-10.2	-10.9	-17.8	-4.9	0.2	-5.2	-36.2	-14.5	-6.9
Nunavut	30	550	320	-25.0	7.8	-13.5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Northwest Territories	50	940	640	-73.7	-44.0	-37.3	-26.9	20.9	-22.1	73.3	-1.4	42.4	-42.3	-27.3	-10.7
Yukon	120	1,330	720	20.0	-1.5	-16.3	-23.1	-13.5	3.6	18.2	0.6	-29.7	-54.2	-8.3	38.8
Sex															
Men	36,430	422,360	372,180	-6.2	-3.3	12.6	-11.1	-8.2	-14.4	-3.4	-0.4	4.6	-56.3	-21.8	5.2
Women	30,920	324,470	185,460	-7.3	-3.5	0.1	-7.8	-3.2	-6.7	8.4	1.7	-13.7	-45.9	-10.4	-25.5
Age															
Under 25	7,900	107,580	61,710	-1.0	-3.3	6.5	-4.0	-8.0	-12.7	-10.5	5.1	1.6	-58.0	-29.2	-14.1
25 to 44	35,370	398,200	324,730	-11.1	-5.4	5.4	-11.9	-8.6	-12.7	-0.4	-0.8	-1.7	-53.4	-19.2	-11.3
45 to 54	14,890	159,120	119,450	-3.5	-0.2	14.8	-9.7	-1.6	-9.1	10.5	1.9	-3.9	-45.8	-6.1	-1.8
55 and over	9,190	81,930	51,750	2.1	0.4	12.8	-3.1	2.4	-10.5	9.7	-1.6	-8.8	-50.2	-5.7	-3.7
EI History[7]															
First-Time Claimants	7,530	194,840	227,200	7.9	1.2	10.6	-4.6	-3.7	-9.0	25.1	18.2	-2.7	-30.8	-17.2	-16.3
Occasional Claimants	28,520	230,570	182,800	-3.0	-2.2	10.5	-1.6	-4.9	-14.0	6.3	-0.7	-2.5	-41.9	-23.8	-20.1
Frequent Claimants	31,300	321,420	147,640	-12.6	-6.8	1.8	-16.0	-8.1	-13.2	-4.4	-6.3	-2.0	-58.8	-13.0	25.2
NATIONAL	**67,350**	**746,830**	**557,640**	**-6.7**	**-3.4**	**8.1**	**-9.6**	**-6.1**	**-11.8**	**1.6**	**0.4**	**-2.4**	**-52.4**	**-17.4**	**-9.2**

Source: EI Administrative Data

N/A = not applicable

1. Due to a methodological change, percentage changes have been revised back to 1995/96.
2. Includes claims on which at least $1 of regular benefits was paid.
3. Based on updated figures for 1997/98.
4. Short spells - duration of insured employment is at the minimum entrance requirement or up to two weeks above the minimum entrance requirement.
5. Medium spells - duration of insured employment is two weeks greater than the minimum entrance requirement but less than six months.
6. Long spells - duration of insured employment is at least six months over the minimum entrance requirement.
7. First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who have had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.

Fishing Benefits

	New Claims[1]					Average Weekly Benefit					Amount Paid[2]				
	2000/ 2001	Percentage Change				2000/ 2001 ($)	Percentage Change				2000/ 2001 ($M)	Percentage Change			
		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1990/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98
Province/Territory															
Newfoundland and Labrador	12,290	13.2	4.6	12.8	29.1	380	2.4	10.1	3.7	-13.1	108.3	15.3	7.8	17.6	17.9
Prince Edward Island	2,435	18.5	3.9	5.1	-18.2	387	2.1	0.0	-0.8	-6.6	20.7	7.0	6.4	0.3	-18.2
Nova Scotia	4,182	0.1	-14.2	-27.4	-1.8	376	2.2	-1.3	-2.4	-9.3	33.3	-9.8	-11.4	-21.0	-9.9
New Brunswick	2,751	2.2	1.5	6.0	2.0	383	1.6	-0.8	-1.3	-6.1	21.6	7.2	-3.4	-0.6	-13.5
Quebec	1,863	50.5	0.5	-7.4	10.2	379	1.1	0.0	-0.3	-10.9	12.4	24.3	-5.7	-13.0	-6.0
Ontario	109	-11.4	24.2	-29.3	-10.3	335	-2.9	4.9	-6.8	-4.3	1.2	4.4	35.1	-32.8	-30.9
Manitoba	663	1.8	17.9	6.2	-7.3	361	5.2	3.6	9.2	-8.2	6.8	16.1	24.1	22.2	6.2
Saskatchewan	128	19.6	-3.6	38.8	50.9	314	-2.8	4.2	9.5	-14.5	0.9	22.2	-5.5	35.5	6.5
Alberta	52	18.2	-17.0	-11.7	66.7	338	2.1	2.8	-0.9	-16.0	0.3	-19.6	16.3	-17.9	123.4
British Columbia	3,717	7.5	-16.2	-8.8	6.0	366	8.6	-0.6	-4.2	-3.0	29.7	5.8	-13.9	6.6	-3.6
Nunavut	10	N/A	N/A	N/A	N/A	387	N/A	N/A	N/A	N/A	0.0	-86.2	N/A	N/A	N/A
Northwest Territories	24	-27.3	-32.7	22.5	17.6	337	-9.8	3.6	-4.7	-1.3	0.3	15.6	24.8	-3.9	163.5
Yukon	5	-16.7	200.0	-50.0	-20.0	339	-2.6	-15.7	18.3	-11.0	0.1	361.5	-80.0	10.4	-11.1
Sex															
Men	23,828	8.8	-4.5	-4.6	-3.9	381	2.9	5.4	-3.9	-9.5	200.2	6.2	-1.9	0.0	-1.0
Women	4,401	24.4	12.0	7.9	15.9	355	5.0	4.1	15.0	-10.4	35.4	24.8	9.8	12.7	-7.0
Age															
Under 25	2,327	11.2	5.8	-16.9	-57.3	365	2.5	3.3	2.9	-5.2	20.2	13.2	11.2	-15.5	-6.6
25 to 44	14,391	9.1	-3.3	-6.6	363.9	379	2.7	9.7	-14.2	-9.6	120.4	7.5	-2.7	0.5	-3.2
45 to 54	7,499	12.8	-1.4	5.0	-74.3	380	3.4	3.7	-0.3	-10.6	62.3	11.9	0.7	5.5	2.8
55 and over	4,012	14.4	-6.3	4.9	-83.7	373	4.0	4.4	-3.1	-10.7	32.8	4.0	-0.2	8.3	0.1
EI History[3]															
First-Time Claimants	1,368	-5.5	-55.0	57.6	-91.8	353	0.9	9.0	4.6	-5.8	12.8	-7.6	6.2	21.3	93.5
Occasional Claimants	5,093	1.9	-13.2	47.9	350.8	362	1.1	6.5	3.7	-9.2	39.8	-2.2	15.1	25.8	35.8
Frequent Claimants	21,768	14.6	10.9	-18.6	492.7	382	3.2	1.4	-0.5	-8.7	183.0	12.7	-4.2	-3.8	-8.5
NATIONAL	**28,229**	**11.0**	**-2.5**	**-3.2**	**7.8**	**377**	**3.0**	**3.7**	**-0.8**	**-9.4**	**235.6**	**8.6**	**-0.5**	**1.3**	**-1.7**

Source: EI Administrative Data

N/A = not applicable

1. Includes claims on which at least $1 of fishing benefits was paid.
2. Amount paid includes Family Supplement top-ups paid to fishing claimants.
3. First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as ndividuals who have had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.

Frequent Claimants[1]

	New Claims[2]					Average Weekly Benefit					Amount Paid				
	2000/ 2001	Percentage Change[3]				2000/ 2001 ($)	Percentage Change[3]				2000/ 2001 ($M)	Percentage Change[3]			
		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1990/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98
Province/Territory															
Newfoundland and Labrador	48,898	5.3	-2.0	-0.3	-10.7	317	7.1	3.1	1.1	-4.1	357.7	7.2	-5.9	0.2	-11.1
Prince Edward Island	14,654	3.7	-5.1	-1.1	-6.7	291	6.0	3.3	1.0	-6.5	94.6	2.5	-7.0	0.9	-11.5
Nova Scotia	38,924	-1.1	-7.1	-6.5	-9.3	306	6.1	1.0	1.6	-4.0	241.0	3.1	-10.3	3.0	-18.0
New Brunswick	49,455	-2.7	-6.1	-2.5	-7.9	302	6.9	2.0	1.2	-4.4	314.2	0.0	-9.1	3.9	-15.6
Quebec	194,817	-5.2	-7.8	-6.5	-9.3	317	5.5	0.5	1.0	-2.4	1,026.0	-5.4	-10.7	-6.5	-14.7
Ontario	84,541	-7.8	-14.6	-9.0	-17.9	339	4.1	0.6	1.2	-1.3	379.9	-4.4	-20.5	-8.4	-17.3
Manitoba	12,744	-7.9	-8.8	-0.7	-17.9	313	4.2	1.0	2.0	0.0	61.7	-4.9	-5.9	4.8	-21.8
Saskatchewan	10,941	-4.0	-11.7	3.8	-22.2	326	4.6	0.1	2.2	1.0	60.0	2.3	-8.1	13.5	-27.2
Alberta	17,911	-7.4	-22.9	7.4	-28.9	353	4.0	-1.5	3.8	-0.3	90.0	-8.4	-21.5	23.7	-42.7
British Columbia	47,895	-5.2	-13.4	-4.9	-12.4	339	4.6	-0.8	-0.6	-2.3	242.8	-9.1	-18.2	3.0	-15.7
Nunavut	157	-7.6	N/A	N/A	N/A	346	9.1	N/A	N/A	N/A	1.7	38.4	N/A	N/A	N/A
Northwest Territories	369	-35.4	-16.8	-12.2	-5.3	386	12.2	-2.1	2.0	-2.9	3.7	-6.0	-36.5	8.5	-4.7
Yukon	842	-3.4	-11.9	-4.0	-11.4	374	2.7	-1.3	-0.1	-3.6	6.8	2.3	-22.6	22.2	-23.2
Sex															
Men	349,917	-3.2	-10.1	-4.2	-12.4	353	4.9	-0.1	0.5	-3.3	2,216.5	-1.9	-13.5	-0.9	-16.6
Women	172,231	-6.0	-8.4	-6.6	-13.0	256	5.6	2.5	2.1	-0.9	663.3	-4.8	-8.5	-4.7	-17.0
Age															
Under 25	14,869	-9.8	-20.0	-5.5	-29.3	309	7.7	3.4	2.6	-2.5	84.0	-11.3	-15.3	-1.9	-34.8
25 to 44	283,882	-7.9	-12.1	-7.4	-16.4	327	5.3	0.7	1.2	-2.3	1,588.2	-6.2	-14.6	-3.7	-19.9
45 to 54	145,767	1.4	-5.4	-1.4	-3.2	319	5.4	-0.2	1.0	-3.5	774.7	3.1	-9.6	1.1	-7.6
55 and over	77,630	2.0	-3.2	-0.7	-3.9	307	5.1	0.0	0.7	-3.0	432.9	3.7	-6.7	1.8	-9.7
Seasonality[4]															
Seasonal	415,918	-3.7	-7.5	-4.0	-11.2	323	5.2	0.4	0.8	-2.5	2,302.9	-1.8	-10.6	-0.4	-16.6
Non-seasonal	106,230	-5.6	-16.8	-8.4	-17.0	315	5.3	0.3	2.0	-3.3	576.9	-5.7	-18.7	-6.6	-16.9
NATIONAL	**522,148**	**-4.1**	**-9.6**	**-5.0**	**-12.6**	**321**	**5.2**	**0.4**	**1.1**	**-2.7**	**2,879.8**	**-2.6**	**-12.4**	**-1.8**	**-16.7**

Source: EI Administrative Data

N/A = not applicable

[1] This includes both regular and fishing claims.

[2] Includes claims on which at least $1 of regular or fishing benefits was paid.

[3] As a result of a methodological change to allow for the inclusion of Nunavut, results have been revised back to 1995/96.

[4] Individuals who started previous claims at about the same time of the year as their current claim are considered seasonal claimants.

Special Benefits[1,2]

	New Claims[3]					Amount Paid				
	2000/2001	Percentage Change				2000/2001 ($M)	Percentage Change			
		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98
Province/Territory										
Newfoundland and Labrador	7,380	9.3	-7.3	19.1	5.3	27.2	11.7	-1.6	12.6	3.1
Prince Edward Island	2,920	12.7	13.6	-5.0	18.2	9.6	12.7	13.8	-13.8	38.8
Nova Scotia	15,550	10.8	4.4	8.1	-4.6	54.6	9.1	8.3	5.4	-2.5
New Brunswick	15,660	3.8	11.7	4.5	6.8	48.9	0.9	11.4	6.0	7.7
Quebec	117,780	6.8	8.7	5.8	-3.7	450.2	8.1	6.4	7.1	-4.3
Ontario	145,870	4.4	1.9	3.0	-4.0	723.6	3.4	2.5	2.8	-2.9
Manitoba	15,020	8.0	-2.2	9.0	-1.8	59.6	1.0	4.8	1.8	-0.2
Saskatchewan	10,620	4.4	-2.6	2.8	2.4	46.9	8.2	-2.1	6.3	1.3
Alberta	37,710	6.6	0.5	5.6	5.3	164.9	4.3	5.0	4.2	8.9
British Columbia	55,780	7.0	-1.6	4.7	-5.4	236.7	5.7	-2.0	6.0	0.8
Nunavut	280	-6.7	N/A	N/A	N/A	1.7	12.5	N/A	N/A	N/A
Northwest Territories	590	25.5	-13.5	1.1	0.0	3.4	17.1	-18.0	2.5	1.6
Yukon	390	-23.5	50.0	-10.5	8.6	2.8	14.0	49.8	-22.9	24.8
Sex										
Men	116,650	14.1	4.6	8.5	-3.9	325.1	15.9	5.8	11.5	3.1
Women	308,900	3.2	2.6	3.6	-2.1	1,504.8	3.2	2.9	3.3	-1.7
Age										
Under 25	52,940	8.0	3.5	6.4	8.4	169.4	7.1	6.6	13.2	8.4
25 to 44	281,270	4.2	2.5	3.0	-4.2	1,405.3	3.4	2.5	2.7	-2.3
45 to 54	59,350	12.4	5.9	11.0	-1.3	164.0	18.1	8.7	9.0	5.4
55 and over	31,990	8.4	2.9	9.4	-4.4	91.2	10.8	3.2	13.8	-3.1
NATIONAL	**425,550**	**6.0**	**3.1**	**4.8**	**-2.5**	**1,829.9**	**5.2**	**3.3**	**4.5**	**-1.0**

Source: EI Administrative Data

N/A = not applicable

1. For a breakdown of maternity, parental and sickness benefits, please see Tables 2.9, 2.10, 2.11 and 2.12.
2. As of December 31, 2000, the number of hours required to qualify for special benefits decreased from 700 to 600 hours. As the reporting period only covers three months of this change, results will not be fully reflected until next year.
3. Includes claims on which at least $1 of maternity, parental or sickness benefits were paid.

Maternity Benefits[1]

	New Claims[2]					Average Number of Weeks Paid					Average Weekly Benefit					Amount Paid				
	2000/ 2001	Percentage Change				2000/ 2001	Percentage Change				2000/ 2001 ($)	Percentage Change				2000/ 2001 ($M)	Percentage Change			
		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98
Province/Territory																				
Newfoundland and Labrador	2,240	-4.3	-2.5	7.1	12.0	14.5	0.7	2.9	-2.0	-0.7	262	6.9	-5.9	-0.9	-7.3	8.9	0.7	3.7	-3.8	8.7
Prince Edward Island	920	0.0	17.9	-22.0	51.5	14.1	0.0	-2.1	2.1	-1.7	244	-6.8	9.3	1.4	-5.4	3.4	6.4	6.5	-16.4	51.8
Nova Scotia	5,190	2.4	2.4	4.9	8.3	14.4	0.7	0.0	0.2	-1.6	255	-1.2	4.4	5.4	-8.7	19.2	2.6	6.7	9.5	-4.9
New Brunswick	3,910	-8.9	15.0	-7.4	18.5	14.4	0.7	1.4	-2.2	1.0	245	-2.0	4.8	-0.8	-5.2	13.8	-11.4	16.5	-3.8	8.2
Quebec	40,870	0.0	3.3	-0.4	-6.7	14.5	0.0	0.7	0.3	-0.6	282	2.5	2.6	2.5	-3.4	167.6	3.5	3.0	2.5	-8.5
Ontario	71,710	-1.4	2.4	-1.1	0.1	14.6	0.7	0.0	0.4	-0.9	302	0.9	1.8	0.2	-3.6	313.6	-1.0	2.0	0.6	-4.0
Manitoba	6,310	-3.1	-3.3	5.3	3.4	14.6	1.4	-1.4	1.0	-0.1	262	1.4	5.6	-2.6	-4.3	23.7	-4.7	3.4	1.7	-2.0
Saskatchewan	5,280	-2.0	1.9	-1.3	4.3	14.6	1.4	0.0	-0.6	0.0	264	0.9	5.7	0.2	-6.5	20.4	4.2	-0.2	2.0	-1.0
Alberta	17,850	3.5	-1.1	2.1	6.7	14.6	0.7	0.0	1.1	-0.3	274	2.3	2.1	0.9	-5.7	68.9	1.5	3.9	0.4	5.4
British Columbia	20,570	4.5	-7.5	6.0	1.6	14.5	0.7	-0.7	0.4	-0.6	286	-0.4	1.4	1.6	-5.7	84.6	2.8	-7.7	8.0	-0.4
Nunavut	180	5.9	N/A	N/A	N/A	14.5	2.1	N/A	N/A	N/A	349	6.9	N/A	N/A	N/A	0.9	9.1	N/A	N/A	N/A
Northwest Territories	350	12.9	-5.9	-10.5	1.8	14.1	-2.8	-2.7	9.8	-4.8	327	-6.2	-1.1	3.6	-3.4	1.7	9.0	-10.4	-7.1	2.8
Yukon	240	0.0	33.3	-14.3	31.3	14.8	0.7	2.8	4.8	-0.5	328	-6.4	19.9	-3.3	-4.5	1.2	11.9	33.2	-21.0	44.3
Age																				
Under 25	29,020	4.1	0.6	8.0	24.6	14.4	1.4	-0.1	0.5	-1.0	193	3.5	3.1	4.5	-10.0	80.6	6.3	3.9	14.4	10.6
25 and over	146,600	-0.9	1.2	-0.9	-2.9	14.5	0.2	0.0	0.4	-0.5	306	1.6	2.1	1.1	-2.6	647.2	0.0	1.3	0.6	-4.3
NATIONAL	**175,620**	**-0.1**	**1.1**	**0.4**	**0.4**	**14.5**	**0.0**	**0.0**	**0.4**	**-0.6**	**287**	**1.2**	**2.2**	**0.9**	**-4.4**	**727.8**	**0.7**	**1.6**	**1.9**	**-3.1**

Source: EI Administrative Data
N/A = not applicable

1. As of December 31, 2000, the number of hours required to qualify for maternity benefits decreased from 700 to 600 hours. As the reporting period only covers three months of this change, results will not be fully reflected until next year.
2. Includes claims on which at least $1 of maternity benefits was paid.

Parental Benefits (Biological)[1]

	New Claims[2]					Average Number of Weeks Paid[3]					Average Weekly Benefit					Amount Paid				
	2000/ 2001	Percentage Change				2000/ 2001	Percentage Change				2000/ 2001 ($)	Percentage Change				2000/ 2001 ($M)	Percentage Change			
		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98		1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98
Province/Territory																				
Newfoundland and Labrador	2,080	-0.5	-3.7	3.8	13.6	10.1	13.5	-2.2	1.3	-1.9	277	7.3	-5.9	-0.2	-4.8	5.7	1.2	5.3	-0.8	10.1
Prince Edward Island	890	14.1	8.3	-14.3	31.3	9.4	3.3	3.4	-0.3	-2.9	250	-11.6	14.1	-1.0	-1.4	2.0	6.7	7.3	-9.0	65.1
Nova Scotia	5,060	7.7	5.4	5.2	1.4	9.8	11.4	0.0	-1.8	-2.4	270	1.2	4.0	4.1	-4.7	12.5	5.0	20.3	1.6	-7.9
New Brunswick	3,880	-2.5	21.0	-11.6	16.3	9.7	11.5	1.2	-3.7	-4.1	260	-1.5	5.9	-0.2	-5.3	8.7	-1.2	3.6	0.0	5.6
Quebec	42,450	7.7	2.2	1.0	-9.0	9.5	6.7	0.0	-0.7	-4.0	292	2.9	2.6	2.4	-1.6	112.5	9.3	1.3	2.5	-10.0
Ontario	72,860	3.0	2.6	0.4	-2.6	9.8	6.5	0.0	-0.6	-2.3	311	0.6	2.2	0.2	-2.1	209.5	2.5	1.4	1.4	-2.8
Manitoba	6,450	2.4	-2.6	4.2	3.8	9.8	6.5	0.0	-1.0	-1.3	272	0.6	7.5	-3.0	-2.6	15.9	-4.0	6.7	-2.2	-0.3
Saskatchewan	5,230	1.2	3.4	-2.5	5.6	10.1	12.2	-3.2	-1.0	0.2	270	0.3	2.8	2.6	-6.1	13.8	10.8	-4.8	8.1	0.9
Alberta	17,710	9.8	-0.8	3.8	5.4	9.9	8.8	0.0	-0.8	-2.4	283	1.7	2.4	0.4	-3.3	43.4	0.8	7.2	-0.9	11.5
British Columbia	20,720	8.9	-7.6	8.0	-0.8	10.1	11.0	0.0	0.0	-3.2	296	-1.8	2.8	1.5	-4.2	54.4	-1.9	-1.9	5.1	4.2
Nunavut	160	6.7	N/A	N/A	N/A	9.9	6.5	N/A	N/A	N/A	357	9.1	N/A	N/A	N/A	0.5	18.9	N/A	N/A	N/A
Northwest Territories	330	17.9	-17.3	8.3	0.0	9.8	2.1	4.4	1.1	-5.7	330	-4.5	-1.3	2.4	-2.5	1.0	14.6	-18.0	5.1	4.1
Yukon	240	4.3	53.3	-16.7	20.0	9.9	3.1	-3.0	8.3	2.0	345	-2.6	13.2	5.8	-11.5	1.0	56.6	34.4	-33.3	47.1
Sex																				
Men	13,000	44.0	8.0	9.0	-4.5	8.5	7.6	3.9	-3.9	3.4	360	-0.7	2.0	1.5	-3.0	33.4	31.6	9.7	9.8	2.0
Women	165,060	3.2	0.7	1.3	-1.9	9.9	8.8	0.0	-0.4	-3.0	292	0.5	2.6	0.8	-2.6	447.4	1.8	1.6	1.4	-2.2
Age																				
Under 25	27,220	13.2	-0.2	8.4	18.0	9.8	11.4	0.0	-0.5	-3.7	206	3.0	3.8	3.9	-5.2	47.6	7.2	4.0	15.1	6.1
25 and over	150,840	4.0	1.3	0.6	-4.6	9.8	7.7	0.1	-0.7	-2.4	313	1.1	2.4	1.0	-1.5	433.3	3.0	1.8	0.6	-2.7
NATIONAL	**178,060**	**5.3**	**1.1**	**1.6**	**-2.0**	**9.8**	**7.7**	**0.0**	**-0.7**	**-2.8**	**297**	**0.9**	**2.6**	**0.9**	**-2.7**	**480.8**	**3.4**	**2.0**	**1.8**	**-2.0**

Source: EI Administrative Data

N/A = not applicable

1. As of December 31, 2000, the number of hours required to qualify for parental benefits decreased from 700 to 600 hours. As the reporting period only covers three months of this change, results will not be fully reflected until next year.
2. Includes claims on which at least $1 of parental benefits (biological) was paid.
3. As of December 31, 2000, the number of weeks of entitlement for parental benefits was increased from 10 to 35. As the reporting period only covers three months of this change, the increases in weeks paid will not be reflected until next year.

Parental Benefits (Adoptive)[1]

	New Claims[2]					Average Number of Weeks Paid[3]					Average Weekly Benefit					Amount Paid				
	2000/ 2001	Percentage Change 1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98	2000/ 2001	Percentage Change 1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98	2000/ 2001 ($)	Percentage Change 1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98	2000/ 2001 ($M)	Percentage Change 1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98
Province/Territory																				
Newfoundland and Labrador	10	-50.0	100.0	0.0	0.0	15.0	20.0	25.0	-33.3	36.4	413	65.9	-9.8	-33.2	-7.2	0.06	-2.0	58.0	-19.3	9.8
Prince Edward Island	0	N/A	-100.0	-66.7	200.0	N/A	N/A	-100.0	60.8	-6.7	0	N/A	-100.0	-29.7	29.2	0.00	N/A	-100.0	-56.5	1035.2
Nova Scotia	20	-33.3	0.0	50.0	0.0	15.0	28.2	13.6	-17.4	108.3	392	25.2	-24.2	28.1	-13.4	0.12	-29.8	125.4	-26.9	105.6
New Brunswick	10	-50.0	-50.0	-50.0	100.0	14.0	16.7	1.7	11.9	2.4	413	18.8	-4.5	25.4	14.3	0.06	-53.3	-27.0	-20.6	52.2
Quebec	330	-38.9	12.5	23.1	-40.0	12.7	11.4	-9.5	9.0	3.0	311	-12.2	2.4	1.4	-3.5	1.40	-35.5	9.4	12.7	-22.1
Ontario	530	12.8	-20.3	37.2	19.4	13.0	8.3	6.2	-4.6	0.9	367	-3.0	6.3	-0.4	3.6	2.07	-12.6	12.2	18.7	15.4
Manitoba	100	0.0	-33.3	36.4	120.0	11.6	12.6	0.0	2.4	0.9	312	-0.8	13.9	9.4	-30.0	0.35	-18.5	-3.5	71.8	21.4
Saskatchewan	20	-50.0	300.0	-80.0	66.7	10.0	-16.7	20.0	-9.1	0.0	299	-25.0	-3.6	60.1	-21.5	0.06	-68.9	290.1	-80.8	85.6
Alberta	220	22.2	-10.0	122.2	-18.2	10.7	4.9	2.0	-2.2	3.4	319	-9.4	5.8	18.0	-13.0	0.79	23.3	6.6	84.4	-11.8
British Columbia	230	64.3	-41.7	84.6	-40.9	12.0	21.2	1.0	-17.9	29.8	357	12.0	-10.8	-7.3	15.2	0.88	92.2	-50.4	110.1	-32.3
Nunavut	20	-60.0	N/A	N/A	N/A	7.0	-14.6	N/A	N/A	N/A	413	41.1	N/A	N/A	N/A	0.11	-8.1	N/A	N/A	N/A
Northwest Territories	10	0.0	-60.0	N/C	-100.0	6.0	-40.0	-13.3	N/C	-100.0	413	0.0	0.2	N/C	-100.0	0.02	-40.0	-60.2	445.6	-49.1
Yukon	0	0.0	0.0	0.0	0.0	N/A	N/A	N/A	N/A	N/A	0	N/A	N/A	N/A	N/A	0.00	N/A	N/A	N/A	N/A
Sex																				
Men	190	0.0	-17.4	53.3	-34.8	9.7	9.0	8.5	-4.4	-11.7	373	0.0	1.4	-1.5	-3.7	0.73	57.4	-36.2	34.8	-22.7
Women	1,310	-7.1	-16.1	41.2	-9.8	12.6	9.6	0.0	-2.0	7.2	339	-3.1	3.5	3.1	-2.5	5.19	-17.7	3.2	27.2	-1.3
Age																				
Under 25	30	50.0	100.0	0.0	-66.7	10.0	42.9	75.0	-60.0	0.0	190	-16.8	-44.8	105.5	-34.2	0.09	184.7	N/C	-100.0	-55.5
25 and over	1,470	-7.0	-16.8	42.9	-12.5	12.3	9.0	0.6	-2.9	5.6	346	-2.2	3.8	2.1	-3.1	5.83	-13.5	-1.4	28.8	-3.3
NATIONAL	**1,500**	**-6.3**	**-16.2**	**42.5**	**-13.5**	**12.2**	**8.9**	**0.9**	**-2.5**	**5.8**	**343**	**-2.7**	**3.2**	**2.6**	**-3.2**	**5.92**	**-12.6**	**-1.0**	**28.0**	**-3.9**

Source: EI Administrative Data
N/A = not applicable
N/C = not calculated

[1] As of December 31, 2000, the number of hours required to qualify for parental benefits decreased from 700 to 600 hours. As the reporting period only covers three months of this change, results will not be fully reflected until next year.

[2] Includes claims on which at least $1 of parental benefits (adoptive) was paid.

[3] As of December 31, 2000, the number of weeks of entitlement for parental benefits was increased from 10 to 35. As the reporting period only covers three months of this change, the increases in weeks paid will not be reflected until next year.

Sickness Benefits[1]

	New Claims[2]					Average Number of Weeks Paid					Average Weekly Benefit					Amount Paid				
	2000/ 2001	Percentage Change 1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98	2000/ 2001	Percentage Change 1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98	2000/ 2001 ($)	Percentage Change 1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98	2000/ 2001 ($M)	Percentage Change 1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	1995/96 1997/98
Province/Territory																				
Newfoundland and Labrador	5,690	13.6	-4.9	26.4	5.8	9.0	12.5	-3.6	6.7	-12.1	251	5.9	-4.0	4.3	-5.1	12.5	27.9	-9.4	41.2	-6.6
Prince Edward Island	2,110	11.1	22.6	-1.9	12.1	8.5	10.4	6.9	-11.2	-5.5	246	4.4	-3.4	8.2	-3.5	4.2	22.0	27.8	-12.7	13.2
Nova Scotia	10,910	14.2	4.5	9.6	-4.8	8.9	2.3	1.2	-4.3	1.9	246	0.8	2.4	2.2	-0.2	22.7	18.5	2.8	3.9	2.7
New Brunswick	12,080	4.7	11.7	11.3	4.3	8.8	3.5	0.0	0.4	2.6	248	2.9	0.4	3.5	-3.5	26.5	9.8	11.7	16.4	8.0
Quebec	74,870	9.2	13.8	9.9	0.4	8.8	2.3	1.2	1.6	0.7	260	2.6	0.7	2.4	1.0	168.6	12.9	14.3	17.3	9.2
Ontario	75,010	7.8	1.8	8.0	-4.7	9.6	2.1	2.2	-1.9	0.9	281	3.0	1.1	2.3	-1.4	198.6	12.6	4.6	8.7	-0.8
Manitoba	8,800	15.8	-1.0	15.0	-5.2	9.3	1.1	2.2	-0.6	-1.0	254	4.7	2.4	-0.8	-0.5	19.6	14.8	5.6	4.9	2.3
Saskatchewan	5,590	9.2	-5.5	8.8	1.2	9.2	5.7	-3.3	2.5	-2.3	256	5.9	0.8	3.3	-2.3	12.6	13.8	-3.4	14.4	5.2
Alberta	20,700	6.0	4.1	6.9	10.7	9.5	0.0	2.2	-1.8	1.0	269	5.5	-0.8	4.8	1.0	51.8	11.2	4.5	15.3	12.7
British Columbia	36,440	6.5	4.2	3.8	-7.5	9.7	4.3	1.1	0.5	0.0	278	1.5	1.7	0.7	-1.2	96.8	12.8	4.8	4.0	0.3
Nunavut	80	0.0	N/A	N/A	N/A	10.0	37.0	N/A	N/A	N/A	372	20.7	N/A	N/A	N/A	0.2	25.7	N/A	N/A	N/A
Northwest Territories	240	50.0	-11.1	-20.6	13.3	7.5	-25.0	9.6	-12.6	25.0	312	-13.9	-0.4	16.0	-9.4	0.7	56.8	-21.2	-9.2	2.2
Yukon	150	-46.4	86.7	-16.7	-5.3	11.6	30.3	15.6	-4.8	5.6	304	-5.3	2.9	3.0	-8.4	0.6	-17.9	107.4	-9.7	-22.6
Sex																				
Men	103,860	11.3	4.4	8.4	-3.7	9.2	3.4	1.1	-1.0	0.9	309	1.9	0.3	1.4	-0.7	291.0	14.3	5.6	11.6	3.3
Women	148,810	6.4	7.0	8.5	-0.4	9.3	2.2	1.1	-0.1	-0.2	239	3.2	1.4	3.0	0.1	324.4	12.1	8.4	10.5	3.5
Age																				
Under 25	27,300	9.1	9.7	5.4	3.0	7.6	0.0	2.7	-2.3	1.2	206	4.1	1.1	4.7	-1.6	41.1	8.4	15.8	8.5	6.8
25 to 44	134,860	6.8	6.0	7.7	-2.0	9.0	3.4	1.2	0.1	1.1	273	2.6	0.9	2.1	-0.6	322.1	11.9	6.4	11.3	4.4
45 to 54	58,580	12.0	5.8	11.2	-1.5	9.9	3.1	2.1	-2.5	0.2	282	2.8	1.2	1.4	1.0	161.2	18.1	8.4	9.5	5.0
55 and over	31,930	8.3	3.1	9.7	-4.8	10.6	1.9	-1.0	1.3	-1.7	275	3.3	-0.2	2.1	-1.1	91.0	11.2	3.5	13.7	-3.5
NATIONAL	**252,670**	**8.4**	**6.0**	**8.5**	**-1.8**	**9.3**	**3.3**	**1.1**	**-0.4**	**0.3**	**268**	**2.9**	**0.7**	**2.3**	**-0.5**	**615.4**	**13.1**	**7.1**	**11.0**	**3.4**

Source: EI Administrative Data

N/A = not applicable

[1] As of December 31, 2000, the number of hours required to qualify for sickness benefits decreased from 700 to 600 hours. As the reporting period only covers three months of this change, results will not be fully reflected until next year.

[2] Includes claims on which at least $1 of sickness benefits was paid.

Family Supplement[1]

	New claims[2] with Supplement	% of all claims with Supplement	Average weekly top-up ($)	Average weekly benefit ($)	Amount Paid					
					Amount Paid ($000)	Share of total amount paid (%)	% Change 1999/00 2000/01	% Change 1998/99 1999/00	% Change 1997/98 1998/99	% Change 1995/96 1997/98
Province/Territory										
Newfoundland and Labrador	8,980	10.4	42	251	10,212	6.5	-20.0	20.9	62.5	18.1
Prince Edward Island	3,150	13.0	46	238	3,329	2.1	-2.2	14.0	49.5	-7.3
Nova Scotia	9,790	11.2	44	239	8,793	5.6	-4.2	16.9	33.7	-3.7
New Brunswick	11,130	11.9	44	250	11,220	7.1	-6.2	11.2	50.6	7.9
Quebec	57,690	10.4	43	255	48,889	31.1	-2.7	13.8	35.7	-9.1
Ontario	47,050	9.9	43	259	33,961	21.6	3.9	3.5	30.8	-10.9
Manitoba	7,140	13.1	48	254	7,353	4.7	10.5	1.9	63.4	-2.1
Saskatchewan	5,750	13.5	48	257	5,206	3.3	7.2	5.1	45.3	13.7
Alberta	13,610	11.4	44	249	10,236	6.5	-2.1	7.3	41.9	-13.4
British Columbia	22,320	10.8	43	264	17,643	11.2	-3.2	6.3	41.6	18.5
Nunavut	160	13.8	54	308	136	0.1	-9.8	N/A	N/A	N/A
Northwest Territories	330	15.3	52	302	238	0.2	-37.6	10.9	54.6	84.1
Yukon	150	6.0	49	302	206	0.1	-18.8	32.1	18.7	72.8
Sex										
Men	58,060	6.1	44	300	53,079	33.7	-11.8	2.7	49.2	54.8
Women	129,190	16.2	43	235	104,343	66.3	3.3	14.8	34.3	-21.2
Age										
Under 25	26,240	11.2	38	209	17,611	11.2	2.6	13.7	52.2	-4.5
25 to 44	140,400	13.9	45	262	125,241	79.6	-2.4	10.1	39.8	-0.8
45 to 54	18,520	5.4	39	268	13,089	8.3	-8.4	5.9	31.5	-13.6
55 and over	2,090	1.2	35	272	1,481	0.9	2.0	0.4	15.2	-43.2
EI History[3]										
First-Time Claimants	87,040	12.8	43	239	68,508	43.5	6.6	18.8	52.1	-5.5
Occasional Claimants	61,020	11.4	44	258	51,876	33.0	-0.7	7.1	29.7	-12.0
Frequent Claimants	39,190	7.3	44	287	37,037	23.5	-17.2	2.3	38.3	12.2
NATIONAL	**187,250**	**10.7**	**44**	**255**	**157,422**	**100.0**	**-2.3**	**10.0**	**39.9**	**-3.4**

Source: EI Administrative Data

N/A = not applicable

[1] Includes all claim types (regular, fishing, and special).

[2] Includes claims on which at least $1 of EI benefits was paid.

[3] First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who have had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.

Working While on Claim[1]

	New claims				Percentage Change			As % of new regular claims			
	1999/00[2]	1998/99	1997/98	1996/97	1998/99 1999/00	1997/98 1998/99	1996/97 1997/98	1999/00	1998/99	1997/98	1996/97
Province/Territory											
Newfoundland and Labrador	49,730	52,020	48,360	48,540	-4.4	7.6	-0.4	71.5	71.7	71.8	69.3
Prince Edward Island	12,560	13,810	13,400	12,840	-9.1	3.1	4.4	65.6	66.9	65.5	62.5
Nova Scotia	44,470	46,810	47,900	50,100	-5.0	-2.3	-4.4	63.6	65.6	66.7	66.1
New Brunswick	52,980	58,790	58,820	58,610	-9.9	-0.1	0.4	66.1	70.0	70.0	65.5
Quebec	275,280	296,140	316,310	345,080	-7.0	-6.4	-8.3	57.8	60.2	60.6	63.4
Ontario	140,260	173,950	183,420	209,140	-19.4	-5.2	-12.3	43.2	46.7	47.4	48.5
Manitoba	17,760	20,610	20,450	22,230	-13.8	0.8	-8.0	43.3	46.2	47.5	49.1
Saskatchewan	16,220	19,700	17,230	18,840	-17.7	14.3	-8.5	47.2	51.4	51.4	53.1
Alberta	44,760	57,720	47,060	55,650	-22.5	22.7	-15.4	46.6	49.2	49.9	53.8
British Columbia	87,270	104,780	109,120	111,220	-16.7	-4.0	-1.9	53.4	55.6	56.4	56.8
Nunavut	470	N/A	N/A	N/A	N/A	N/A	N/A	52.8	N/A	N/A	N/A
Northwest Territories	1,150	1,630	1,490	1,710	-29.4	9.4	-12.9	58.1	55.1	58.0	59.4
Yukon	1,180	1,350	1,630	1,500	-12.6	-17.2	8.7	51.8	53.1	55.8	54.7
Sex											
Men	440,890	518,930	525,430	548,760	-15.0	-1.2	-4.3	54.1	56.7	58.1	58.4
Women	303,200	328,380	339,760	386,700	-7.7	-3.3	-12.1	53.7	55.4	55.0	57.1
Age											
Under 25	93,060	107,780	108,390	122,780	-13.7	-0.6	-11.7	51.8	54.1	56.2	57.7
25 to 44	427,820	499,250	524,010	573,990	-14.3	-4.7	-8.7	54.9	57.4	59.4	60.0
45 to 54	163,460	177,500	175,350	177,550	-7.9	1.2	-1.2	57.8	59.8	58.7	59.6
55 and over	59,750	62,780	57,440	61,140	-4.8	9.3	-6.1	43.1	44.3	38.7	40.9
Benefit Levels											
Less than $50	600	780	1,080	380	-23.1	-27.8	184.2	53.6	48.8	48.0	48.1
$50 - $100	12,590	15,300	22,570	24,240	-17.7	-32.2	-6.9	50.2	52.0	52.8	53.2
$101 - $150	61,210	73,890	87,040	94,360	-17.2	-15.1	-7.8	52.0	53.8	55.0	55.2
$151 - $200	108,030	122,810	127,900	137,020	-12.0	-4.0	-6.7	52.3	53.4	54.9	55.3
Greater than $201	561,660	634,530	626,600	679,460	-11.5	1.3	-7.8	54.6	57.2	57.7	59.0
NATIONAL	**744,090**	**847,310**	**865,190**	**935,460**	**-12.2**	**-2.1**	**-7.5**	**53.9**	**56.2**	**56.8**	**57.9**

Source: EI Administrative Data
N/A = not applicable

[1] This analysis includes claimants who worked while on claim and still received some benefits for those weeks, as well as claimants who received earnings high enough to reduce their benefits to zero for some weeks.

[2] Given that some claims straddle two fiscal years, the most recent year for this analysis is for claims established in 1999/00.

Benefit Repayment Provision

	People who repaid benefits				Amount Repaid			
Province/Territory	1999	% Change 1998-1999	% Change 1997-1998[1]	% Change 1996-1997[1]	1999 ($M)	% Change 1998-1999	% Change 1997-1998[1]	% Change 1996-1997[1]
Newfoundland and Labrador	5,847	73.8	57.5	-34.6	11.6	113.7	106.4	-22.8
Prince Edward Island	876	10.9	89.4	-29.8	2.2	11.8	143.1	32.3
Nova Scotia	7,666	57.0	77.7	4.3	16.1	88.4	143.7	-3.0
New Brunswick	4,217	61.3	80.5	-18.2	7.1	83.7	132.3	-22.5
Quebec	35,288	32.0	67.4	2.7	42.3	35.5	108.6	-0.4
Ontario	45,162	3.2	41.6	0.9	50.8	33.1	47.8	11.2
Manitoba	2,305	27.0	30.9	15.8	2.9	41.3	67.3	4.0
Saskatchewan	3,050	46.1	29.1	22.3	3.7	67.5	79.1	1.3
Alberta	16,262	50.5	29.6	16.3	19.7	75.5	75.8	1.8
British Columbia	22,586	27.5	25.4	-1.7	27.0	47.3	58.9	-5.0
Nunavut	11	N/A	N/A	N/A	0.0	N/A	N/A	N/A
Northwest Territories	467	-4.1	30.9	-0.8	0.6	0.4	63.5	-2.4
Yukon	405	35.0	12.8	0.0	0.6	39.1	61.0	1.3
NATIONAL[2]	**144,160**	**25.0**	**44.7**	**0.7**	**184.4**	**48.8**	**76.1**	**1.4**

Source: Benefit Repayment Administrative File (September 2001)
N/A = not applicable

[1] Figures for 1996 and 1997 were revised due to updates in data files.

[2] Provincial figures do not add to the national total because non-residents are included.

Claims Affected by the Intensity Rule[1]

	Regular and fishing claims affected by the Intensity Rule															
	Number of claims affected[2]				Average weekly benefit				Percentage distribution				% of regular and fishing claims			
		% Change				% Change										
	2000/ 2001	1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	2000/ 2001	1999/00 2000/01	1998/99 1999/00	1997/98 1998/99	2000/ 2001	1999/ 2000	1998/ 1999	1997 1998	2000/ 2001	1999/ 2000	1998/ 1999	1997/ 1998
Province/Territory																
Newfoundland and Labrador	16,560	-70.1	11.4	36.5	266	-6.6	1.7	-1.4	8.3	9.1	9.3	11.4	20.2	69.0	60.2	47.8
Prince Edward Island	4,610	-69.5	0.9	31.4	267	-0.5	2.2	0.2	2.3	2.5	2.8	4.0	20.7	71.0	66.5	51.1
Nova Scotia	14,920	-65.6	10.8	52.8	291	4.3	0.6	3.6	7.4	7.1	7.3	8.0	19.8	58.8	51.8	32.8
New Brunswick	16,920	-67.8	3.8	36.3	270	-0.8	1.4	-0.6	8.4	8.7	9.5	11.7	20.6	63.5	58.7	43.2
Quebec	75,980	-66.5	12.7	58.9	283	-0.6	0.3	0.4	37.9	37.4	37.8	39.8	16.1	48.2	41.4	24.6
Ontario	34,090	-66.0	18.1	104.0	301	-3.4	1.6	1.9	17.0	16.5	15.9	13.1	9.9	31.4	23.1	11.0
Manitoba	4,670	-66.0	28.5	159.2	259	-11.2	-2.0	6.4	2.3	2.3	2.0	1.3	11.6	33.3	24.0	9.7
Saskatchewan	3,690	-67.6	24.2	199.3	286	-7.1	0.5	5.2	1.8	1.9	1.7	1.0	11.2	33.5	24.0	9.3
Alberta	8,390	-65.6	29.0	201.9	324	-0.2	-1.5	5.1	4.2	4.0	3.5	2.0	10.1	25.8	16.3	6.8
British Columbia	19,920	-67.3	18.2	107.0	311	1.4	-0.4	2.0	9.9	10.0	9.7	7.8	12.5	37.1	27.1	12.8
Nunavut	150	-46.4	N/A	N/A	324	-4.6	N/A	N/A	0.1	N/A	N/A	N/A	16.5	N/A	N/A	N/A
Northwest Territories	250	-67.5	45.8	24.1	365	7.1	0.4	1.4	0.1	0.2	0.1	0.2	15.1	35.9	24.3	23.0
Yukon	260	-79.0	12.7	66.7	311	-13.3	0.9	3.6	0.1	0.2	0.2	0.2	12.0	53.5	43.7	23.2
Sex																
Men	104,960	-74.9	11.0	65.8	323	0.4	0.4	1.4	52.4	68.9	70.7	71.3	12.3	50.4	40.5	24.8
Women	95,450	-49.3	20.6	71.0	249	10.6	5.1	4.8	47.6	31.1	29.3	28.7	17.5	33.7	26.7	15.0
Age																
Under 25	11,310	-73.3	3.6	54.5	253	-1.6	3.6	4.0	5.6	7.0	7.7	10.4	6.3	23.6	20.7	14.1
25 to 44	106,130	-68.0	11.9	65.7	295	-0.8	1.1	2.2	53.0	54.8	55.7	54.2	13.7	42.4	34.0	20.5
45 to 54	56,460	-62.5	18.4	73.6	288	-1.9	0.0	1.0	28.2	24.8	23.9	23.0	18.8	52.7	42.4	24.4
55 and over	26,510	-67.4	19.6	71.3	275	-3.8	-0.2	1.1	13.2	13.4	21.8	12.5	18.0	58.1	47.2	26.5
EI History																
Frequent claimants[3]	138,410	-68.3	9.7	61.7	296	-2.3	0.5	2.1	69.1	72.0	74.7	77.3	26.5	80.1	66.1	38.6
All other claimants	62,000	-63.5	25.8	86.3	269	2.6	3.8	3.9	30.9	28.0	25.3	22.7	7.1	20.1	14.8	8.1
NATIONAL	**200,410**	**-66.9**	**13.8**	**67.3**	**288**	**-1.4**	**0.9**	**2.0**	**100.0**	**100.0**	**100.0**	**100.0**	**14.3**	**43.7**	**35.2**	**20.9**

Source: EI Administrative Data

N/A = not applicable

[1] Due to the elimination of the intensity rule on October 1, 2000, savings are not reported. Please refer to previous *Monitoring and Assessment* reports for information on savings from the intensity rule.

[2] The large declines in claims in 2000/01 reflect the elimination of the intensity rule on October 1, 2000.

[3] Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.

ANNEX 3

Employment Benefits and Support Measures Data Tables

3.1 Overview of Labour Market Development Agreements

3.2 EBSM Program Definitions

3.3 EBSM Client Profile

3.4 Clients Served by Client Types

3.5 New Interventions

3.6 EBSM and Pan-Canadian Activities - Part I - Final Expenditures

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3.8 EI Part II Pan-Canadian - Final Expenditures

3.9 Returns to Employment and Unpaid Benefits Indicators

3.10 EBSM Designated Member - Women

3.11 EBSM Designated Member - Persons with Disabilities

3.12 EBSM Designated Member - Aboriginal Peoples

3.13 EBSM Designated Member - Visible Minorities

Overview of Labour Market Development Agreements

Federal/Provincial/Territorial

Province/Territory	Type of Agreement[1]	Signature Date	Implementation Date	Allocation ($000)[2]		
				2001/2002	2000/2001	1999/2000
Newfoundland and Labrador	Co-management	March 24, 1997	March 24, 1997	127,531	126,151	116,160
Prince Edward Island	Co-management	April 26, 1997	April 26, 1997	25,138	24,516	22,788
Nova Scotia	Co-management (Strategic Partnership)	April 24, 1997	November 1, 1997	80,205	79,916	75,830
New Brunswick	Transfer	December 13, 1996	April 1, 1997	90,425	89,991	83,956
Quebec	Transfer	April 1, 1997 November 28, 1997	April 1, 1998	595,741	594,424	561,145
Ontario	No agreement concluded	N/A	N/A	531,255	537,695	520,000
Manitoba	Transfer	April 17, 1997	November 27, 1997	49,521	49,867	49,351
Saskatchewan	Transfer	February 6, 1998	January 1, 1999	38,857	38,488	37,133
Alberta	Transfer	December 6, 1996	November 1, 1997	112,819	112,661	109,221
British Columbia	Co-management	April 25, 1997	April 25, 1997	288,999	287,023	266,014
Northwest Territories	Transfer	February 27, 1998	October 1, 1998	3,448	3,267	4,812
Yukon	Co-management	January 24, 1998	February 1998	4,051	3,993	3,535
Nunavut	Transfer	May 11, 2000	Effective April 1, 2000	2,091	2,008	Included in NWT
Canada				**1,950,081**	**1,950,000**	**1,849,945**

1. Provinces or territories with transfer agreements assume responsibility for the design and delivery of active employment measures funded through the EI program. Transfer agreements also include functions of the National Employment Service that may differ from one agreement to the next. In co-management agreements the Government of Canada and each provincial/territorial government jointly assume responsibility for the planning, design, and evaluation of active employment measures, while HRDC continues to deliver programs and services through its service delivery network.
2. Funds transferred to cover administration costs are not included.

3.2

Employment Benefits and Support Measures Program Definitions

Employment Benefits

Targeted Wage Subsidies assist eligible unemployed individuals in obtaining on-the-job work experience by providing employers with financial assistance towards the wages of insured participants that they hire. This benefit encourages employers to hire unemployed individuals that they would not normally hire in the absence of a subsidy.

Targeted Earnings Supplements enable some people currently on EI or the longer term unemployed to accept low-wage jobs. Temporarily topping up low-wage jobs means that people who would not enter at the lower wage rate are able to re-enter the workforce. (The Supplément de retour au travail in Quebec is the only program currently in place that is similar to this program.)

Self-Employment provides financial assistance and business planning advice to EI-eligible participants to help them start their own business. This financial assistance is intended to cover personal living expenses and other expenses during the initial stages of the business.

Job Creation Partnerships projects provide insured participants with opportunities to gain work experience that will lead to ongoing employment. Activities of the project help develop the community and the local economy.

Skills Development provides direct financial assistance to insured participants to enable them to select, arrange for and pay for their own employment training.

Support Measures

Employment Assistance Services (which includes Employment Assistance Services interventions, Employment Group Services and Individual Counselling) provide funding to organizations to enable them to provide employment services to unemployed persons. These services may include counselling, action planning, job search skills, job finding clubs, job placement services, the provision of labour market information and case management and follow up.

Labour Market Partnerships provide funding to assist employers, employee and/or employer associations and communities in improving their capacity for dealing with human resource requirements and to implement labour force adjustments. It involves the development of plans and strategies and the implementation of adjustment measures.

Research and Innovation supports activities that identify better ways of helping people prepare for or keep employment and be productive participants in the labour force. Funds are provided to eligible recipients to enable them to carry out demonstration projects and research for this purpose.

EBSM Client Profile

2000/2001

Clients Served (%)	
Gender	
Men	55.9%
Women	44.1%
Age	
Missing	1.1%
15 to 19	4.6%
20 to 24	16.5%
25 to 29	15.5%
30 to 44	41.0%
45+	21.3%

EI Clients Served	
Active Claimants	78.2%
Former Claimants	21.8%

Client to Participant Ratio	
Clients	457,839
Interventions	619,402
Ratio	1.35

Participation in interventions as a % of a total*	
Targeted Wage Subsidies	4.8%
Self-Employment	1.8%
Job Creation Partnerships	1.8%
Skills Development	21.1%
Employment Assistance	47.6%
Group Services	9.6%
Individual Counselling	10.2%
Supplément de retour au travail	1.2%
Pan-Canadian	2.0%
Total	100.0%

* Please note that Group Services only include active claimants and do not include EGS interventions where another intervention was recorded. As a result of this, EGS interventions are underreported.

Designated Group	Intervention Participation Rate
Women	45.5%
Aboriginal People	7.1%
Persons with Disabilities	3.7%
Visible Minorities	5.2%

Source: Client Data Set

Clients Served by Client Types[1]

2000/2001

	EI Clients				Non-Insured[2]	Total
	EI Active Claimants		Former Claimants			
	Target[3]	Clients Served[4]	Clients Served	Total	Clients Served	Clients Served
Newfoundland and Labrador	11,768	9,800	3,558	13,358	794	14,152
Prince Edward Island	3,000	2,663	368	3,031	233	3,264
Nova Scotia	8,200	8,036	1,912	9,948	1,234	11,182
New Brunswick	65%	10,858	4,348	15,206	1,228	16,434
Quebec[5]	105,900	*118,127	29,204	118,127	8,798	126,925
Ontario	N/A	81,542	9,482	91,024	14,418	105,442
Manitoba	65%	13,433	4,023	17,456	9,572	27,028
Saskatchewan[6]	5,525	4,779	1,987	6,766	791	7,557
Alberta	13,500	31,643	12,618	44,261	37,132	81,393
British Columbia	N/A	33,785	12,080	45,865	17,441	63,306
Northwest Territories	352	300	87	387	109	496
Yukon	759	364	77	441	156	597
Nunavut	197	58	3	61	2	63
Canada	**N/A**	**286,184**	**79,747**	**365,931**	**91,908**	**457,839**

Source: Client Data Set
N/A = not applicable

1. Comparisons across jurisdictions are difficult as a result of differences in service delivery and labour market conditions.
2. As a result of the administrative process and systems calculation related to the determination of client eligibility, non-insured clients may be overreported. Non-insured numbers reported here are indicative of non-insured clients served under Support Measures. They do not reflect all of the non-insured clients served by a province/territory.
3. Please note that targets for EI active claimants were set with the understanding that client counts would be derived from the client and pay systems. Following changes in methodology, the pay systems were not used for the production of 2000/01 data. This means that targets are overstated by approximately 5%.
4. Active EI clients served is a success indicator that refers to the number of current Part I claimants accessing EBSMs.
5. Quebec's LMDA has a commitment in terms of EI clients served (100,000), with a focus on active claimants. Client counts for Quebec are underreported by 575 as a result of a data transmission problem with two Aboriginal Human Resources Development Agreement holders. These will be reported in the 2001/02 data.
6. As a result of data exchange issues, client information for Saskatchewan is understated.

* To provide a comparison against the target, this number represents total clients served. The active EI client count was 88,923.

New Interventions[1]

2000/2001

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.[2]	Alta.	B.C.	N.W.T.[3]	Yuk.	Nunavut[4]	Canada
Long-Term Interventions[5]														
Targeted Wage Subsidies	739	378	679	4,099	15,195	4,905	339	986	506	1,809	31	5	0	**29,671**
Self-Employment	221	75	494	54	3,956	3,075	232	178	1,001	1,933	19	6	0	**11,244**
Job Creation Partnerships	3,838	103	669	2,696	N/A	1,111	326	0	1,605	747	3	29	0	**11,127**
Skills Development	6,838	1,859	4,901	6,910	45,387	23,164	4,194	3,593	15,211	18,073	209	218	44	**130,601**
Total LT Interventions	**11,636**	**2,415**	**6,743**	**13,759**	**64,538**	**32,255**	**5,091**	**4,757**	**18,323**	**22,562**	**262**	**258**	**44**	**182,643**
Short-Term Interventions														
Employment Assistance[6]	396	426	4,216	3,767	42,033	50,542	17,739	1,588	112,621	61,152	18	272	0	**294,770**
Group Services[7]	575	71	1,126	24	19,153	34,798	232	1,236	0	2,188	0	5	0	**59,408**
Individual Counselling	6,035	1,600	2,493	7,429	22,369	11,496	10,194	0	0	1,343	0	2	0	**62,961**
Supplément de retour au travail[8]	N/A	N/A	N/A	N/A	7,248	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	**7,248**
Total ST Interventions	**7,006**	**2,097**	**7,835**	**11,220**	**90,803**	**96,836**	**28,165**	**2,824**	**112,621**	**64,683**	**18**	**279**	**0**	**424,387**
Total ST Interventions - Without Group Services	**6,431**	**2,026**	**6,709**	**11,196**	**71,650**	**62,038**	**27,933**	**1,588**	**112,621**	**62,495**	**18**	**274**	**0**	**364,979**
Pan-Canadian[9]	**357**	**2**	**116**	**126**	**140**	**3,308**	**2,781**	**1,325**	**1,110**	**2,626**	**281**	**181**	**19**	**12,372**
Grand Total - EBSM	**18,999**	**4,514**	**14,694**	**25,105**	**155,481**	**132,399**	**36,037**	**8,906**	**132,054**	**89,871**	**561**	**718**	**63**	**619,402**
Grand Total - Without Group Services	**18,424**	**4,443**	**13,568**	**25,081**	**136,328**	**97,601**	**35,805**	**7,670**	**132,054**	**87,683**	**561**	**713**	**63**	**559,994**

Source: Client Data Set

N/A = not applicable

1. Comparisons across jurisdictions are difficult as a result of differences in service delivery and labour market conditions. Interventions refer to new start participants between April 1, 2000 and March 31, 2001.
2. As a result of data exchange issues, intervention data for Saskatchewan is understated.
3. As a result of data exchange issues, Individual Counselling interventions are underreported.
4. As a result of the recent signing of the LMDA with Nunavut, intervention data exchange between the territory and HRDC is incomplete (with the exception of apprentices in Skills Development).
5. Self-Employment, Job Creation Partnerships, Skills Development and Pan-Canadian activities have reduced intervention counts when compared to previous M&A reports.
6. Employment Assistance Services (EAS) is tracked differently across jurisdictions. In some instances intervention data is not captured in a manner that is consistent with the methodology used at National Headquarters for counting interventions. This results in inaccurate intervention counts for EAS interventions.
7. Interventions are recorded for active claimants only. Also, Employment Group Services interventions are only counted if no other intervention is recorded. As a result, Group Services interventions are underestimated.
8. Available only in Quebec.
9. Aboriginal Human Resources Development Strategy is included with Pan-Canadian for this table. As a result of a data transmission problem with two Aboriginal Human Resources Development Agreement holders in Quebec, interventions for Quebec are underestimated by 658. These will be included in 2001/02 data.

EBSM and Pan-Canadian Activities - Part I - Final Expenditures[1]

In ($000)/By Intervention - 2000/2001

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yuk.	Nunavut	Canada
Self-Employment	997	434	2,646	1,860	11,193	13,634	1,878	993	5,150	6,499	420	166	48	**45,918**
Job Creation Partnerships[2]	3,299	153	1,489	35	785	3,466	2,351	0	0	1,618	0	86	0	**13,282**
Skills Development	19,534	7,485	15,818	22,983	96,259	67,272	16,833	12,374	41,047	36,429	1,287	879	417	**338,617**
Total	**23,830**	**8,072**	**19,953**	**24,878**	**108,237**	**84,372**	**21,062**	**13,367**	**46,197**	**44,546**	**1,707**	**1,131**	**465**	**397,817**

Source: Corporate Management System

1. Comparisons across jurisdictions are difficult as a result of differences in service delivery and labour market conditions.
2. In Quebec, this amount refers only to Pan-Canadian activities.

EBSM Part II - Final Expenditures[1]

In ($000)/By Intervention - 2000/2001

	Nfld.	P.E.I.	N.S.	N.B.	Que.[2]	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.[3]	Yuk.	Nunavut[4]	NHQ	Canada
Long-Term Interventions															
Targeted Wage Subsidies	4,442	3,021	2,382	13,425	66,148	19,603	2,151	6,053	2,212	8,908	410	56	NC	0	**128,811**
Self-Employment	3,196	902	5,512	3,483	25,512	41,701	3,324	581	5,623	24,934	308	628	NC	0	**115,704**
Job Creation Partnerships	20,037	480	5,847	14,401	N/A	17,694	6,095	0	7,805	8,553	0	115	NC	0	**81,027**
Skills Development	69,834	12,781	39,670	42,536	298,690	123,153	22,013	24,747	63,701	110,544	1,368	1,510	NC	0	**810,547**
Total LT Interventions	**97,509**	**17,184**	**53,411**	**73,845**	**390,350**	**202,151**	**33,583**	**31,381**	**79,341**	**152,939**	**2,086**	**2,309**	**NC**	**0**	**1,136,089**
Short-Term Interventions															
Employment Assistance	9,000	1,553	10,606	10,301	88,205	140,980	9,936	492	31,601	92,256	521	1,267	NC	0	**396,718**
Supplément de retour au travail	0	0	0	0	3,248	0	0	0	0	0	0	0	NC	0	**3,248**
Total ST Interventions	**9,000**	**1,553**	**10,606**	**10,301**	**91,453**	**140,980**	**9,936**	**492**	**31,601**	**92,256**	**521**	**1,267**	**NC**	**0**	**399,966**
Other															
Labour Market Partnerships	14,151	5,263	11,543	1,435	112,621	38,284	5,074	5,946	1,741	8,271	630	69	NC	0	**205,028**
Research & Innovation	0	0	0	4,413	0	0	1,282	669	0	0	0	0	NC	0	**6,364**
Adjustment to Balance[5]	(392)	(168)	(319)	100	571	(1,489)	(210)	(26)	(7)	(217)	194	(982)	2,008	635	**(302)**
Total Other	**13,759**	**5,095**	**11,224**	**5,948**	**113,192**	**36,795**	**6,146**	**6,589**	**1,734**	**8,054**	**824**	**(913)**	**2,008**	**635**	**211,090**
TOTAL Part II - Regular	**120,268**	**23,832**	**75,241**	**90,094**	**594,995**	**379,926**	**49,665**	**38,462**	**112,676**	**253,249**	**3,431**	**2,663**	**2,008**	**635**	**1,747,145**
Pan-Canadian (See details Annex 3.8)	5,063	493	7,405	2,107	13,892	35,873	12,460	11,513	11,848	16,214	2,824	1,248	2,330	68,437	**191,707**
Total including Pan-Canadian	**125,331**	**24,325**	**82,646**	**92,201**	**608,887**	**415,799**	**62,125**	**49,975**	**124,524**	**269,463**	**6,255**	**3,911**	**4,338**	**69,072**	**1,938,852**
Administrative costs related to LMAs[6] (Transfer regions only)				**8,847**	**57,577**		**5,785**	**7,809**	**12,670**		**1,393**		**987**		**95,068**

Source: Corporate Management System and Provincial Audited Statements

N/A = not applicable

NC = not calculated

1. Comparisons across jurisdictions are difficult as a result of differences in service delivery and labour market conditions.
2. An expenditure of $20.1M for Labour Market Partnerships is under review.
3. Data is based on an unaudited statement.
4. Nunavut was unable to provide a financial statement in time for inclusion in this report.
5. Adjustment to reflect future recoveries of overpayments, discrepancies due to multiple systems connectivity and expenditures made on behalf of provinces/territories until full implementation of their Labour Market Development Agreement (LMDA).
6. Administration costs include $86,184 (Salary & Non-Salary) to administer Labour Market Agreements, $5,180 (agreement to develop provincial capacity required for LMDA implementation) and $3,704 for rent.

EI Part II Pan-Canadian - Final Expenditures[1]

In ($000)/By Intervention - 2000/2001

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yuk.	Nunavut	NHQ	Canada
Aboriginal Human Resources Development Strategy	**1,890**	**254**	**1,950**	**1,348**	**7,073**	**32,019**	**11,384**	**11,049**	**11,420**	**14,263**	**2,613**	**1,002**	**2,330**	**1,563**	**100,158**
EBSM															
Targeted Wage Subsidies	57	0	37	136	134	0	0	0	0	2	0	0	0	0	**366**
Self-Employment	51	6	21	0	13	2	0	0	0	41	0	0	0	0	**134**
Job Creation Partnerships[2]	658	0	378	0	8	12	7	0	0	71	0	0	0	0	**1,134**
Skills Development	536	10	695	16	607	0	0	0	0	20	0	0	0	0	**1,884**
Employment Assistance	515	0	1,176	42	185	0	0	0	0	666	0	0	0	1,439	**4,023**
Total EBSM	**1,817**	**16**	**2,307**	**194**	**947**	**14**	**7**	**0**	**0**	**800**	**0**	**0**	**0**	**1,439**	**7,541**
Other															
Local Labour Market Board	1,161	223	2,372	502	2,661	3,032	1,007	464	229	1,065	205	246	0	500	**13,667**
Ntl. Labour Market Partnership	195	0	776	1	755	808	0	0	199	24	6	0	0	51,916	**54,680**
Research and Innovation	0	0	0	62	0	0	59	0	0	62	0	0	0	12,989	**13,172**
Others[3]	0	0	0	0	2,456	0	3	0	0	0	0	0	0	30	**2,489**
Total Other	**1,356**	**223**	**3,148**	**565**	**5,872**	**3,840**	**1,069**	**464**	**428**	**1,151**	**211**	**246**	**0**	**65,435**	**84,008**
Grand Total	**5,063**	**493**	**7,405**	**2,107**	**13,892**	**35,873**	**12,460**	**11,513**	**11,848**	**16,214**	**2,824**	**1,248**	**2,330**	**68,437**	**191,707**

Source: Corporate Management System.

[1] Comparisons across jurisdictions are difficult as a result of differences in service delivery and labour market conditions.

[2] In Quebec, this amount refers only to Pan-Canadian activities.

[3] Others include Cree Regional Authority ($.531M), Kativik Regional Government ($1.316M) and Special Projects ($.642M).

Returns to Employment & Unpaid Benefits Indicators[1]

2000/2001

	Clients who returned to employment[2]					Unpaid Benefits ($M)[2]				
	Targets[3]	Results			Results vs. Targets (%)	Targets[3]	Results			Results vs. Targets (%)
		Apprentices	Group Services	Total			Apprentices	Group Services	Total	
Newfoundland and Labrador	8,372	440	77	6,532	78.02	15.12	3.17	0.37	13.87	91.73
Prince Edward Island	2,805	68	32	2,480	88.41	4.75	0.58	0.15	5.29	111.37
Nova Scotia	8,287	560	221	8,172	98.61	23.43	4.50	1.06	16.43	70.12
New Brunswick	11,701	742	50	8,261	70.60	12.84	5.29	0.22	20.13	156.78
Quebec	51,315	N/A	2,924	60,986	118.85	162.35	0.00	16.95	175.87	108.33
Ontario	61,000	6,561	15,479	58,117	95.27	225.00	49.84	94.77	242.40	107.73
Manitoba	11,000	1,403	245	9,294	84.49	25.50	9.79	1.36	26.58	104.24
Saskatchewan[4]	5,500	1,708	378	3,066	55.75	17.00	12.74	1.79	16.83	99.00
Alberta[5]	22,500	8,465	0	21,339	94.84	110.00	68.00	0.00	117.43	106.75
British Columbia	27,292	4,415	650	27,337	100.16	120.22	35.41	4.65	93.45	77.73
Northwest Territories[5]	318	10	0	185	58.18	1.35	0.13	0.00	1.02	75.56
Yukon	318	42	1	219	68.87	1.75	0.40	0.00	1.09	62.29
Nunavut[5]	146	N/C	N/C	N/C	N/A	0.62	N/C	N/C	N/C	N/A
National Headquarters	0	0	1	16	N/A	0.00	0.00	0.00	0.00	N/A
Canada	**210,554**	**24,414**	**20,058**	**206,004**	**97.84**	**719.93**	**189.85**	**121.33**	**730.41**	**101.46**

Source: Results Data Set

N/A = not applicable

N/C = not calculated

[1] Comparisons across jurisdictions are difficult as a result of differences in service delivery and labour market conditions.

[2] In addition to the returns to work in this table, there were an additional 4,651 returns to work and $8.8 million in unpaid benefits following Aboriginal EBSM interventions. A further 330 returns to work and $533,914 in unpaid benefits attributable to AHRDA holders occurred in 2000/01, but were received late because of a transmission problem. These will be reported in the 2001/02 data.

[3] Target does not include Aboriginal Human Resources Development Agreements. Targets vary depending on the type of LMDA, the date of implementation, and the circumstances around implementation. In addition, three different methodologies are available for setting targets. These differences account for the variations seen when comparing actual results to those that were forecasted.

[4] As a result of data exchange issues, results for Saskatchewan are understated.

[5] As a result of data exchange issues, some returns to work and unpaid benefits attributable to Apprentices for the Northwest Territoires and Nunavut have been included with those of Alberta. This means returns to employment and unpaid benefits for Alberta are slightly overstated for Alberta and understated for Nunavut and the Northwest Territories.

EBSM Designated Member - Women[1]

New Starts by Intervention (%) - 2000/2001

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.[2]	Alta.	B.C.	N.W.T.	Yuk.	Nunavut[3]	Canada
Long-Term Interventions														
Targeted Wage Subsidies	49.0	34.7	42.7	46.7	48.4	45.5	43.7	36.6	50.0	43.9	25.8	0.0	N/C	**46.7**
Self-Employment	48.0	37.3	41.9	46.3	38.2	48.0	41.8	35.4	45.3	45.5	31.6	33.3	N/C	**43.2**
Job Creation Partnerships	34.7	48.5	37.5	70.6	N/A	52.9	25.5	0.0	60.6	42.7	100.0	34.5	N/C	**49.5**
Skills Development	29.4	43.4	31.7	56.8	46.9	29.0	24.4	2.8	16.8	31.4	10.0	28.0	N/C	**35.0**
Total LT Interventions	**32.7**	**42.0**	**34.1**	**56.4**	**46.7**	**34.2**	**26.6**	**11.1**	**23.1**	**34.0**	**14.5**	**28.3**	**N/C**	**38.3**
Short-Term Interventions														
Employment Assistance	48.0	63.8	61.6	62.9	50.6	52.4	51.0	45.2	48.1	49.8	44.4	47.1	N/C	**50.1**
Individual Counselling	39.7	51.6	41.8	52.4	43.1	48.3	43.1	0.0	0.0	45.9	0.0	0.0	N/C	**45.0**
Supplément de retour au travail[4]	N/A	N/A	N/A	N/A	37.5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	**37.5**
Total ST Interventions	**40.2**	**54.2**	**54.3**	**55.9**	**46.9**	**51.6**	**48.1**	**45.2**	**48.1**	**49.7**	**44.4**	**46.7**	**N/C**	**49.0**
Pan-Canadian[5]	**35.9**	**0.0**	**36.2**	**40.5**	**60.7**	**47.4**	**49.8**	**51.8**	**49.6**	**42.5**	**46.3**	**30.4**	**57.9**	**47.0**
Grand Total - EBSM	**35.4**	**47.6**	**44.1**	**56.1**	**46.9**	**45.7**	**45.2**	**25.2**	**44.6**	**45.5**	**31.4**	**35.9**	**N/C**	**45.5**

Source: Client Data Set
N/A = not applicable
N/C = not calculated
Participants: Active/Former Claimants/Non-insured

1. Comparisons across jurisdictions are difficult as a result of differences in service delivery and labour market conditions.
2. As a result of data exchange issues the participation of women in EBSMs is understated.
3. As a result of the recent signing of the LMDA with Nunavut, intervention data are incomplete for EBSMs.
4. Available only in Quebec.
5. Pan-Canadian includes Fisheries Restructuring and Adjustment Measures and Aboriginal Human Resources Development Strategy.

EBSM Designated Member - Persons with Disabilities[1]

New Starts by Intervention (%) - 2000/2001

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yuk.	Nunavut[2]	Canada
Long-Term Interventions														
Targeted Wage Subsidies	3.1	0.8	6.6	1.1	2.4	1.7	7.1	7.6	7.1	3.8	3.2	0.0	N/C	**2.6**
Self-Employment	0.9	0.0	3.0	1.9	1.8	1.8	2.6	5.6	3.1	2.9	5.3	0.0	N/C	**2.2**
Job Creation Partnerships	1.0	1.9	4.8	4.8	N/A	2.2	5.2	0.0	14.9	1.1	0.0	0.0	N/C	**4.4**
Skills Development	4.2	5.4	3.9	0.7	1.9	1.0	2.1	0.8	2.9	2.9	0.5	1.8	N/C	**2.1**
Total LT Interventions	**3.0**	**4.4**	**4.2**	**1.6**	**2.0**	**1.2**	**2.7**	**2.4**	**4.0**	**3.0**	**1.1**	**1.6**	**N/C**	**2.4**
Short-Term Interventions														
Employment Assistance	5.1	27.0	11.2	1.7	4.3	3.6	4.6	14.6	4.0	5.6	5.6	8.5	N/C	**4.5**
Individual Counselling	14.9	9.9	9.0	1.1	1.6	2.6	4.1	0.0	0.0	10.8	0.0	0.0	N/C	**4.1**
Supplément de retour au travail[3]	N/A	N/A	N/A	N/A	2.8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	**2.8**
Total ST Interventions	**14.3**	**13.5**	**10.4**	**1.3**	**3.3**	**3.4**	**4.4**	**14.6**	**4.0**	**5.7**	**5.6**	**8.4**	**N/C**	**4.4**
Pan-Canadian[4]	**3.9**	**0.0**	**9.5**	**0.8**	**0.0**	**2.0**	**2.2**	**2.9**	**4.6**	**2.7**	**1.8**	**1.7**	**0.0**	**2.6**
Grand Total - EBSM	**7.0**	**8.6**	**7.3**	**1.5**	**2.7**	**2.6**	**4.0**	**5.0**	**4.0**	**4.9**	**1.6**	**4.2**	**N/C**	**3.7**

Source: Client Data Set
N/A = not applicable
N/C = not calculated
Participants: Active/Former Claimants/Non-insured

[1] Comparisons across jurisdictions are difficult as a result of differences in service delivery and labour market conditions.
[2] As a result of the recent signing of the LMDA with Nunavut, intervention data are incomplete for EBSMs.
[3] Available only in Quebec.
[4] Pan-Canadian includes Fisheries Restructuring and Adjustment Measures and Aboriginal Human Resources Development Strategy.

EBSM Designated Member - Aboriginal Peoples[1]

New Starts by Intervention (%) - 2000/2001

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yuk.	Nunavut[2]	Canada
Long-Term Interventions														
Targeted Wage Subsidies	2.8	0.0	0.1	3.4	1.7	0.7	20.6	34.1	5.7	2.0	54.8	20.0	N/C	**3.2**
Self-Employment	1.8	0.0	0.6	0.0	1.8	1.3	22.0	16.3	5.1	2.4	47.4	0.0	N/C	**2.7**
Job Creation Partnerships	2.0	0.0	0.4	1.5	N/A	3.1	39.0	0.0	12.1	5.5	33.3	6.9	N/C	**4.7**
Skills Development	4.1	0.9	0.7	1.0	1.4	0.6	23.9	7.6	2.0	3.3	30.6	5.5	N/C	**2.7**
Total LT Interventions	**3.3**	**0.7**	**0.6**	**1.8**	**1.5**	**0.8**	**24.6**	**13.4**	**3.2**	**3.2**	**34.7**	**5.8**	**N/C**	**2.9**
Short-Term Interventions														
Employment Assistance	1.5	0.9	0.9	0.5	1.1	1.0	15.4	30.7	10.9	3.1	61.1	16.9	N/C	**6.3**
Individual Counselling	5.0	0.6	0.6	1.0	1.2	0.5	34.3	0.0	0.0	1.9	0.0	0.0	N/C	**6.8**
Supplément de retour au travail[3]	N/A	N/A	N/A	N/A	1.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	**1.0**
Total ST Interventions	**4.8**	**0.7**	**0.8**	**0.9**	**1.1**	**1.0**	**22.3**	**30.7**	**10.9**	**3.0**	**61.1**	**16.8**	**N/C**	**6.3**
Pan-Canadian[4]	**52.1**	**0.0**	**50.0**	**92.1**	**42.1**	**99.6**	**100.0**	**99.8**	**99.8**	**95.2**	**100.0**	**100.0**	**100.0**	**96.2**
Grand Total - EBSM	**4.8**	**0.7**	**1.1**	**1.8**	**1.4**	**4.2**	**28.7**	**31.9**	**10.6**	**5.8**	**68.3**	**33.9**	**N/C**	**7.1**

Source: Client Data Set
N/A = not applicable
N/C = not calculated
Participants: Active/Former Claimants/Non-insured

[1] Comparisons across jurisdictions are difficult as a result of differences in service delivery and labour market conditions.

[2] As a result of the recent signing of the LMDA with Nunavut, intervention data are incomplete for EBSMs.

[3] Available only in Quebec.

[4] Pan-Canadian includes Fisheries Restructuring and Adjustment Measures and Aboriginal Human Resources Development Strategy.

EBSM Designated Member - Visible Minorities[1]

New Starts by Intervention (%) - 2000/2001

	Nfld.	P.E.I.	N.S.	N.B.	Que.[2]	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yuk.	Nunavut[3]	Canada
Long-Term Interventions														
Targeted Wage Subsidies	0.0	0.0	1.9	0.2	N/C	3.3	7.4	3.9	9.3	10.6	3.2	0.0	N/C	**1.7**
Self-Employment	0.0	0.0	0.6	0.0	N/C	8.3	5.2	5.1	4.7	4.5	10.5	0.0	N/C	**3.7**
Job Creation Partnerships	0.1	2.9	3.9	0.7	N/C	2.3	8.0	0.0	9.2	3.2	0.0	0.0	N/C	**2.5**
Skills Development	0.5	0.7	1.7	0.2	N/C	3.8	8.3	2.9	5.7	5.0	13.9	1.4	N/C	**2.5**
Total LT Interventions	**0.3**	**0.7**	**1.9**	**0.3**	**N/C**	**4.1**	**8.1**	**3.2**	**6.1**	**5.4**	**12.2**	**1.2**	**N/C**	**2.5**
Short-Term Interventions														
Employment Assistance	0.3	2.3	4.7	0.3	N/C	7.2	13.4	5.8	8.1	11.8	16.7	5.1	N/C	**7.7**
Individual Counselling	0.2	1.4	1.8	0.1	N/C	3.1	9.7	0.0	0.0	7.1	0.0	50.0	N/C	**2.4**
Supplément de retour au travail[4]	N/A	N/A	N/A	N/A	N/C	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	**N/A**
Total ST Interventions	**0.2**	**1.6**	**3.7**	**0.2**	**N/C**	**6.5**	**12.1**	**5.8**	**8.1**	**11.7**	**16.7**	**5.5**	**N/C**	**6.6**
Pan-Canadian[5]	**0.3**	**0.0**	**7.8**	**4.0**	**27.9**	**4.6**	**2.0**	**0.9**	**1.5**	**4.5**	**0.7**	**0.6**	**5.3**	**3.3**
Grand Total - EBSM	**0.3**	**1.1**	**2.8**	**0.3**	**N/C**	**5.6**	**10.7**	**3.3**	**7.7**	**9.9**	**6.6**	**2.7**	**N/C**	**5.2**

Source: Client Data Set
N/A = not applicable
N/C = not calculated
Participants: Active/Former Claimants/Non-insured

1. Comparisons across jurisdictions are difficult as a result of differences in service delivery and labour market conditions.
2. Data unavailable in provincial management system.
3. As a result of the recent signing of the LMDA with Nunavut, intervention data are incomplete for EBSMs.
4. Available only in Quebec.
5. Pan-Canadian includes Fisheries Restructuring and Adjustment Measures and Aboriginal Human Resources Development Strategy.

Community Profiles[1,2]

1. Atlantic Communities

Clarenville

Clarenville is a major regional centre serving the eastern coast of Newfoundland. Highly reliant on the fishing industry, Clarenville has been experiencing net out-migration, with its population falling by about 1% annually since 1994.

The unemployment rate in Clarenville increased by 0.4 percentage points over 1999/00 to 21.0%, over three times the national unemployment rate of 6.9%. Despite a high unemployment rate, spin-off growth from oil development and some recovery in the fishing industry led to a slight improvement in EI indicators in 2000/01. Regular and fishing claims remained relatively stable (-0.3%) at 6,280 and average weekly benefits rose by 7.6% to $289, reflecting increases in earnings and the elimination of the intensity rule. In addition, average weeks on claim declined from 28 to 25 weeks. On average, the proportion of entitlement used by claimants before returning to work decreased from 76.7% to 69.79%. Nonetheless, about 61.6% of beneficiaries were frequent claimants, up from 57.9%, over the previous reporting period.

Clarenville is a community that is highly reliant on EI to stabilize incomes. In 1999, 60% of those with wages also received some EI benefits, more than three times the national average of 19.4%. Moreover, benefits represented one in five dollars of employment earnings, about 10 times the national average of 2.2%.

Prince Edward Island

A large part of Prince Edward Island's (PEI) economic base consists of highly seasonal activities, especially in the tourism, agriculture and fishing industries. In addition, a significant proportion of the PEI labour force (37%) has not completed high school, well above the national average of 30%.

The unemployment rate in PEI was 12.0% in 2000/01, down 1.8 percentage points from 1999/00. Despite improved labour market conditions and unemployment at its lowest level in two decades, regular and fishing claims increased by 4.5% to 22,245, as a result of an increase in the size of the labour force in 2000/01. Frequent claimants comprised 66% of beneficiaries, about the same proportion as in 1999/00. However, average weeks on claim declined from 22 weeks to 21 weeks and the percentage of EI entitlement used fell from 74.1% to 71.4%, reflecting the ability of claimants to find work more quickly. Average weekly benefits increased by 6.2% to $274, reflecting a higher value of fish resources harvested and the elimination of the intensity rule.

As a result of its seasonal economy, PEI is highly reliant on EI. In 1999, 39% of persons with wages also received some EI benefits. Moreover, benefits represented close to 10% of total employment income, four times the national average.

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[1] The unemployment rates provided represent the unemployment rates for the EI region where the community is located and, therefore, may vary slightly from the unemployment rate in the community. Employment Insurance (EI) figures are for fiscal year 2000/01. Income statistics are reported by the Canada Customs and Revenue Agency (CCRA) for calendar year 1999. Figures related to educational attainment are obtained from 1996 Census data.

[2] EI claims and benefits figures are for regular and fishing claims only. Special benefits are not included.

Truro

Truro is a regional centre located at the head of the Bay of Fundy. A significant part of Truro's economic base consists of activities in manufacturing and tourism, with some dependence on the fishery. The proportion of the labour force that has not completed high school (38%) is well above the national average of 30%.

Truro's unemployment rate was 9.8% in 2000/01, down 0.8 percentage points from 1999/00. However, regular and fishing claims increased 4.5% from 4,440 in 1999/00 to 4,640 in 2000/01, perhaps more as a result of job transition than job loss. Despite its relatively high unemployment rate, the fairly positive economic conditions of the last two years translated into a lower proportion of EI entitlement used (63.0% down from 68.9% in 1999/00). In addition, average weeks spent on claim fell from 22 to 20 weeks in 2000/01. Moreover, the proportion of frequent claimants fell to 45.7% from 48.6% in the previous period.

EI plays a significant role in Truro's economy. In 1999, 23% of persons with wages also received some EI benefits. Moreover, benefits represented close to 4% of total employment income, nearly double the national average.

Miramichi

Miramichi is situated within Northumberland County in the northeastern part of New Brunswick. Employment is highly seasonal, with fishing, forestry and tourism constituting the major economic activities.

The unemployment rate in Miramichi increased by 1.4 percentage points over the previous reporting period to 15.3% more than double the national average of 6.9%. Moreover, due to the highly seasonal nature of the economy, most EI claimants were frequent claimants (62.5%). Regular and fishing claims increased 1.2% to 4,210 in 2000/01. However, EI entitlement used fell from 75.4% to 68.7% over the reporting period. While this is partially due to an increase in entitlement of 2.4 weeks, average weeks on claim also decreased from 26 to 25 weeks, indicating that claimants were able to find jobs more quickly. Average weekly benefits increased by 7.5% to $291, reflecting the elimination of the intensity rule and increased earnings.

EI plays a major income stabilization role in Miramichi. In 1999, 38% of persons with wages also received some benefits and EI benefits represented about 8% of total employment income, nearly four times the national average.

Table 1

Atlantic Communities

Community	U Rate*		VER** Hours		Entitlement (Weeks)		Duration***		Benefits (Weekly)		% Female	% Frequent
	00/01	△	00/01	99/00	00/01	%△	00/01	%△	00/01	%△	00/01	00/01
Clarenville	21.0%	0.4	420	420	37.2	0.3	69.7%	-9.1	$289	7.6	37.1	61.6
PEI	12.0%	-1.8	473	426	32.6	-6.4	71.4%	-3.6	$274	6.2	39.1	65.9
Truro	9.8%	-0.8	554	519	33.8	4.0	63.0%	-8.6	$268	3.6	37.3	45.7
Miramichi	15.3%	1.4	420	426	37.5	6.8	68.7%	-8.9	$291	7.5	38.0	62.5

△= Change

* Average annual unemployment rate

** Variable Entrance Requirement in average hours of insurable employment

*** Duration actually spent on claim expressed as a percentage of entitlement

2. Quebec Communities

Repentigny

The community of Repentigny is located east of Montreal on the north shore of the St. Lawrence River. A significant proportion of jobs are in manufacturing. However there is a strong but slowly declining dependence on forestry and related industries. The workforce is characterized by a relatively low level of education, with 35% of the labour force not having completed high school, well above the national average of 30%.

The unemployment rate in Repentigny declined by 0.6 percentage points to 8.7% in 2000/01. Improved labour market conditions led to a decline of 4.8% in regular and fishing claims, from 18,560 in 1999/00 to 17,660 in 2000/01. Similarly, the number of frequent claimants declined by 11.8%, from 8,070 to 7,120. Average weeks spent on claim also declined from 20 to 18 weeks and EI entitlement used fell from 63.3% to 58.4%. Average weekly EI benefits increased by 3% to $283, reflecting higher average weekly earnings.

EI plays a significant role in Repentigny, with 21% of persons with wages also receiving some EI benefits in 1999 and EI benefits representing 3.2% of total employment income, compared to the national average of 2.2%.

Montreal Centre East

Montreal Centre East is a largely Francophone community, with one in three residents over the age of 55. Employment is concentrated in clerical occupations, retail trade and manufacturing, all spin-off industries supporting downtown businesses and a large nearby industrial complex. The community's long-term prospects are dependent on growth in the high-tech, business services and tourism sectors.

The unemployment rate in Montreal Centre East fell by 0.7 percentage points to 7.8% in 2000/01. EI regular claims increased by 10.3% to 8,710, likely reflecting transitive unemployment among a recent surge of younger, new labour force entrants moving into the area. As a result, the proportion of beneficiaries who were frequent claimants fell to 22.0%, from 26.5% in 1999/00. Claimants found work more quickly for the third consecutive year, as average weeks on claim fell to 18 weeks from 22 weeks in the previous year and the percent of entitlement used fell from 69.2% to 63.1%, over the same period. Average weekly benefits increased by 4.8% in the community, from $267 to $279 per week, reflecting higher average weekly earnings.

EI plays a moderate income stabilization role in Montreal Centre East, with 17.8% of persons with wages also receiving EI in 1999. Benefits represented 2.8% of employment income, slightly above the national average of 2.2%.

Table 2

Quebec Communities

Community	U Rate*		VER** Hours		Entitlement (Weeks)		Duration***		Benefits (Weekly)		% Female	% Frequent
	00/01	△	00/01	99/00	00/01	%△	00/01	%△	00/01	%△	00/01	00/01
Repentigny	8.7%	-0.6	591	565	32.0	-3.3	58.4%	-7.8	$283	3.0	40.0	40.3
Montreal Centre East	7.8%	-0.7	624	595	30.1	-5.0	63.1%	-8.9	$279	4.8	43.1	22.0

△= Change

* Average annual unemployment rate

** Variable Entrance Requirement in average hours of insurable employment

*** Duration actually spent on claim expressed as a percentage of entitlement

3. Ontario Communities

Toronto Centre

The Toronto Centre community is located in Canada's largest urban area. It is an affluent community, with average employment incomes more than twice the national level. Toronto Centre is characterized by a very high proportion of post-secondary graduates, with jobs concentrated in management and professional occupations.

Consequently, the unemployment rate is lower than average at 5.5%, down 0.6 percentage points from 1999/00. EI regular claims fell by 6.5%, from 2,760 in 1999/00 to 2,580 in 2000/01. As in most large cities, work is largely full time and full year, resulting in few frequent claimants (10.9%). Reflecting the strong labour market, the proportion of entitlement used by claimants before returning to work fell to 59.4% from 65.9% in 1999/00. In addition, average weeks spent on claim declined significantly from 20 to 17 weeks and average weekly benefits increased by 3.7% to $353.

EI plays a limited role in Toronto Centre, with only 5.7% of those with wages collecting EI in 1999. Furthermore, benefits comprised only 0.4% of total employment income, considerably less than the national average of 2.2%.

Hamilton Mountain

Hamilton Mountain is a services-oriented community in the city of Hamilton. While employment in the community is concentrated in clerical, sales/services, and trade/transport occupations, its economy depends heavily on the health of the manufacturing industry, particularly steel.

The unemployment rate in Hamilton Mountain was 5.1% in 2000/01, up 0.2 percentage points from 1999/00, but still well below the national average of 6.9%. However, a slowdown in manufacturing at the end of 2000/01 led to a downturn in the steel industry, resulting in a 13.7% increase in regular claims from 5,320 in 1999/00 to 6,050 in 2000/01. At the same time, the generally buoyant regional economy meant that the proportion of entitlement used by claimants fell to 55.4%, down from 58.1% in the previous reporting period. However, average weeks spent on claim remained relatively stable at 16 weeks. Average weekly benefits increased by 5.3% to $325 as a result of layoffs in manufacturing, a sector with relatively high wages. It should also be noted that the proportion of frequent claimants in Hamilton Mountain is relatively high for an urban centre. This is due to the fact that many residents of Hamilton Mountain work in blue-collar occupations like manufacturing and construction, which are relatively susceptible to layoffs.

Table 3

Ontario Communities

Community	U Rate*		VER** Hours		Entitlement (Weeks)		Duration***		Benefits (Weekly)		% Female	% Frequent
	00/01	△	00/01	99/00	00/01	%△	00/01	%△	00/01	%△	00/01	00/01
Toronto Centre	5.5%	-0.6	700	677	29.1	-2.7	59.4%	-10.0	$353	3.7	54.7	10.9
Hamilton Mountain	5.1%	0.2	694	700	28.6	4.0	55.4%	-4.6	$325	5.3	37.9	23.3

△= Change

* Average annual unemployment rate

** Variable Entrance Requirement in average hours of insurable employment

*** Duration actually spent on claim expressed as a percentage of entitlement

EI plays a limited role in the local economy of Hamilton Mountain, with only 9.5% of wage earners receiving EI in 1999. Moreover, EI comprised only 1.0% of total employment income in the community, less than half of the national average of 2.2%.

4. Prairie and Northern Communities

St. Boniface

St. Boniface is a suburb of Winnipeg. The community's labour force is concentrated in clerical and sales/services occupations, as it consists of spin-off industries supporting Winnipeg's downtown core.

In 2000/01, the unemployment rate in St. Boniface was 5.3%, down 0.4 percentage points from 1999/00. Due to a strong economy, regular claims fell by 12.7% to 3,430, down from 3,930 in 1999/00. However, frequent claimants comprised 31.5% of beneficiaries, slightly lower than the national average of 37.3%. Claimants found work more quickly, as reflected in the decline in EI entitlement used from 67.1% to 61.0% and in the decrease in average weeks on claim from 18 to 16 weeks over 1999/00.

Given the relatively strong local economy, EI plays a limited role in the community's economy with only 11.3% of wage earners receiving EI and benefits making up only 1.5% of total employment income, less than the national average.

Prince Albert

Prince Albert is a service and processing centre for the surrounding area of prairie agriculture and forestry in central Saskatchewan. Employment growth occurred in 2000/01 due to expansion in food processing, forestry and related wood processing industries.

The unemployment rate in Prince Albert remained virtually unchanged from the previous reporting period at 13.3%, nearly double the national average of 6.9%. Regular claims decreased by 12.5%, from 4,160 in 1999/00 to 3,640 in 2000/01. Nonetheless, about 41% of EI recipients were frequent claimants, as was the case in most parts of the country where seasonal industries dominate the local economy. However, growth in longer term employment processing industries has allowed for a three-year decline in frequent claimants (-16.9%) from 1,780 in 1997/98 to 1,480 in 2000/01. The recent economic growth translated into longer employment duration and shorter unemployment spells. In 2000/01, there was a marked decline in EI entitlement used, from 62.1% to 54.0%, and average weeks spent on claim declined from 22 to 20 weeks. Average weekly benefits increased by 1.4% to $304, about $8 higher than the national average.

Prince Albert is somewhat reliant on EI with 18.9% of wage earners also receiving EI benefits in 1999 and benefits comprising 3.5% of total employment income, higher than the national average of 2.2%.

Calgary Centre

Calgary Centre is an urban centre with employment concentrated in full-time work in clerical, management and professional occupations. Over the last few years, the region has enjoyed positive employment growth that emanates from its strong oil and gas industry and its increasingly diverse economy.

In 2000/01, the unemployment rate, at 4.6%, was down 1.1 percentage point from 1999/00, and was significantly lower than the national unemployment rate of 6.9%. The strong economy translated into a 14.5% decline in regular claims, from 4,760 to 4,070, over the previous reporting period. Only a small proportion of EI beneficiaries were frequent claimants (15.5%), compared to the national average of 37.3%. Further, the proportion of entitlement used by claimants before returning to work fell to 59.4% from 62.5% and average weeks on claim declined from 18 to 16 weeks. Average weekly benefits increased by 4.6% to $317.

EI plays a limited role in Calgary Centre, with only 9.7% of wage earners also receiving EI benefits. Further, benefits comprised only 1.0% of employment income, less than half of the national average.

Yellowknife

Yellowknife is the capital of the Northwest Territories and therefore serves as the primary government and administrative centre, with some reliance on mining and construction activities as well. Yellowknife has a bimodal distribution of educational attainment with many individuals having less than high school (largely Aboriginal peoples) and a high proportion of the population having post-secondary degrees, diplomas or certificates.

Although the unemployment rate in the EI region is set at 25%, the unemployment rate in the city of Yellowknife was actually comparable to the national average of 6.9% in 2000/01. Growth in government services and the local mining industry led to a 16.4% decline in EI claims, from 730 to 610 in 2000/01 and only a small proportion of EI beneficiaries are frequent claimants. Furthermore, average weeks spent on claim fell from 22 to 19 weeks and, on average, only 46.4% of entitlement was used. Average weekly benefits increased by 3.3% to $355, reflecting above average incomes in Yellowknife.

The community of Yellowknife has a slight reliance on EI, with 13.8% of wage earners also collecting EI benefits. Further, EI benefits represented less than 2.0% of employment income, lower than the national average of 2.2%.

Table 4

Prairies and Northern Communities

Community	U Rate*		VER** Hours		Entitlement (Weeks)		Duration***		Benefits (Weekly)		% Female	% Frequent
	00/01	△	00/01	99/00	00/01	%△	00/01	%△	00/01	%△	00/01	00/01
St. Boniface	5.3%	-0.4	700	700	27.6	1.5	61.0%	-9.2	$302	4.1	39.1	31.5
Prince Albert	13.3%	0.0	435	429	37.8	2.2	54.0%	-13.0	$304	1.4	30.8	40.7
Calgary Centre	4.6%	-1.1	700	691	28.7	-0.7	59.4%	-5.1	$317	4.6	34.9	15.5
Yellowknife	25.0%	0.0	420	420	41.5	0.5	46.4%	-13.9	$355	3.3	57.4	9.8

△= Change

* Average annual unemployment rate

** Variable Entrance Requirement in average hours of insurable employment

*** Duration actually spent on claim expressed as a percentage of entitlement

5. British Columbia Communities

Kelowna

Kelowna is a processing and service centre for the farming and timber rich Okanagan valley area of British Columbia. The population of Kelowna has been growing, largely due to an emerging high-tech industry and because it is a popular retirement destination.

In 2000/01, Kelowna had an unemployment rate of 10.4%, up 0.7 percentage points from 1999/00. Regular claims rose by 3.7% to 7,560, from 7,290 in 1999/00, likely reflecting increased job mobility in a strong economy. The number of frequent claimants has declined for four consecutive years from 2,650 in 1997/98 to 1,920 in 2000/01. Claimants also found jobs relatively quickly as entitlement used fell to 55.6% from 61.9% in 1999/00 and average weeks spent on claim declined from 20 to 19 weeks. Average weekly benefits increased by 2.3% to $305, almost $10 above the national average.

Kelowna is somewhat reliant on EI, with 16.8% of wage earners receiving EI benefits. Benefits comprised 2.3% of employment income, just above the national average of 2.2%.

Surrey

The Surrey community is a southern suburb of Vancouver. Since 1994, Surrey's population has been growing as a result of an increase in its immigrant population, with one-sixth of the local labour force having come to Canada in the last decade. Employment in Surrey is concentrated in urban spin-off industries such as clerical and sales and services.

In 2000/01, the unemployment rate stood at 6%, down 1.7 percentage points from 1999/00. Regular claims fell by 6.9% from 16,130 to 15,020 over the previous reporting period. The proportion of frequent claimants declined to 25.9%, down slightly from 26.2% in the previous reporting period. However, a very high and growing proportion of workers aged 45 and over (38.7%) were on claim. Average entitlement used remained relatively stable at 68.6% and average weeks on claim declined from 20 to 18 weeks. Average weekly benefits increased by 2.0% to $284.

The Surrey economy is somewhat reliant on EI, with 16.5% of wage earners also receiving EI benefits and benefits comprising 2.2% of employment income, the same as the national average.

Table 5

British Columbia Communities

Community	U Rate*		VER** Hours		Entitlement (Weeks)		Duration***		Benefits (Weekly)		% Female	% Frequent
	00/01	△	00/01	99/00	00/01	%△	00/01	%△	00/01	%△	00/01	00/01
Surrey	6.0%	-1.7	685	627	26.2	-10.0	68.6%	-2.1	$284	2.0	45.6	25.9
Kelowna	10.4%	0.7	534	554	35.1	5.4	55.6%	-10.3	$305	2.3	33.6	25.4

△ = Change

* Average annual unemployment rate

** Variable Entrance Requirement in average hours of insurable employment

*** Duration actually spent on claim expressed as a percentage of entitlement